

INTERNATIONAL Herald Tribune

Published with The New York Times and The Washington Post

No. 30,665

***R

PARIS, MONDAY, SEPTEMBER 21, 1981

Established 1887

For Poles, Beseled by Shortages, Life Is Worsening Fast

By John Danton

New York Times Service

WARSAW — Poland's economic collapse is now so severe that some Western economists here are comparing it to the Great Depression of the 1930s in the United States. For most Poles, life is close to unbearable.

A rationing system that began in March with meat and has since spread to include everything from diapers to detergents has failed to ensure that there are sufficient quantities of food and other essentials for everyone. It has only made shopping more cumbersome and painful.

There are ever-lengthening lines in front of stores that carry fewer and fewer goods. Now it is common for the major department stores and supermarkets to have more than half their shelves empty from the end of the store to the other. The other day, one of the largest supermarkets in Warsaw had only two items — toilet and ice cream.

Restaurants across the country are closing or limiting their menus to one or two dishes, such as chicken or wild boar. Many hotel restaurants now serve only their guests, increasing the predicament for Poles who cannot obtain food to cook at home.

Malnutrition Rises

For the first time, doctors in hospitals are reporting an increase in the number of cases of malnutrition, particularly among the elderly. There are fears that these cases will increase even more, especially with winter ahead.

It will also be a cold winter. To save energy, the government has announced a plan to rotate power blackouts among major residential areas and to keep most offices and residential buildings, which use city-supplied heat, at no more than 55 degrees Fahrenheit (13 Celsius).

To make ends meet, Poles are driven to new extremes, including extensive bartering. "Without it, we just couldn't get by," said Jack Kaminski, 27, a social worker, who lives with his wife, his 14-month-old son and his brother-in-law's family of four in a four-room apartment in a drab housing development south of Warsaw.

Mr. Kaminski, wearing a Solidarity T-shirt, smokes cigarettes, but he is the only one in the family who does so. Nonetheless, each week the other three adults stand in line in front of a newsstand for their weekly allotment of three packs. That way, the family has cigarettes to spare — or trade. "Last week we exchanged them for some sugar," said his wife, Joanna Kisielinska, who retains her own name. "The week before we got some candy."

The story explains one of the lesser mysteries of the current crisis — why it is that rationing certain items such as cigarettes and alcohol has led to bigger, not smaller, lines. Since they have become valuable for barter, everyone demands his ration.

Meat Supplies Low

But demanding is not always getting. Meat supplies ran so low in August that about 32,000 tons — roughly one-quarter of all the meat to be rationed nationally — was lacking. Among those who got none were Jack Kaminski and Joanna Kisielinska, and Hanna Kisielinska, Joanna's sister, and Jozef Juraszek and their 4-month-old twins, who share the cramped apartment.

"We didn't have any meat at all in August," Joanna Kisielinska said. "In theory, it's possible to get it now, but you have to line up for eight hours. Who can spend that kind of time?"

Months ago, she noted, she could cut to the front of a line with Christopher, her

son, causing only a minimal fuss. But that kind of etiquette has broken down now. "I don't take him at all any more," she said. "There's too much yelling and pushing. Somebody's been standing there three hours and then you come along and take something he's had his eye on — it's all too much. People just lose their heads."

They receive assistance from their family — "we couldn't make it without it," she said.

From time to time, they get a food parcel from relatives in Chicago. But they have no guaranteed access to hard currency, which can be used to buy alcohol, cigarettes and other luxuries in the special "dollar shops" called Pewex. The black market price for dollars is now 10 times the official rate.

Private Supply of Meat

Some other Warsaw residents also have a private supply of meat from a "veal lady," a peasant who brings in veal from the countryside and sells it unofficially. But Mr. Kaminski does not believe in such traffic. "You never really know where the meat comes from," he said. "And besides, it's getting scarce. Now when they slaughter an animal in the country, so many people want it they divide it right up on the spot."

A 20-year-old graduate student finds that with regular deliveries from her "veal lady" she can avoid meat lines altogether. "I have lines," she said. "I dread them. I would rather do anything than stand in a line." The other day I finally joined a line because it was for cigarettes. It was even my brand. I had my baby with me so I cut in, and people started yelling such abusive insults I finally broke down in tears.

"We don't go shopping anymore in Poland," she summed up. "We go hunting."

Stanislaw Korczak, 35, a former soldier who works privately laying and refinishing floors, lives with his wife and their seven children in a two-room apartment. Until last year, he said, he was doing "all right," but then things got tough. Because materials for floors can only rarely be found, few people are hiring him these days.

Attempting to raise seven children in such circumstances, Mr. Korczak said, was "macabre." He has managed to survive only because his wife took a part-time job in a vegetable market — not for the money but for the opportunity to exchange vegetables for meat and milk.

"You have to be a good operator, and my wife's a good operator," Mr. Korczak said. In all the exchanges, money never seems to change hands, he noted. "There doesn't seem to be much need of it."

In poorer sections of the city, such as his own, people seem to help each other out more than elsewhere, he added.

Psychological Effects

The psychological effects of shortages can at times be as severe a problem as the shortages themselves. Doctors report that many new mothers have become unable to nurse — because of fears they will not be able to find milk in the stores.

"With the lines, people have no time at all left over for any sort of extra activities," Mr. Kaminski said. "It reflects badly in their psychological situation. Parents are angry with their children, husbands yell at their wives. A deep part of the frustration is that nobody knows how the crisis is going to come out, how much longer it is going to go on."

"Every family should have a dog around to kick," he added. "Except that that means there is one more mouth to feed."

Poland's Leaders Meet On 'State of Readiness'

By Brian Mooney

Reuters

WARSAW — The Polish government held its second emergency meeting in a week Sunday and said it had ordered local administrators to take exceptional measures, which it did not disclose.

Meanwhile, the Roman Catholic Church sided publicly with Poland's independent trade union, Solidarity, in its battle for access to the Communist-controlled mass media.

The Polish news agency PAP said that the special government meeting was attended by provincial governors and city mayors.

The state of readiness of the authorities was assessed as well as adjusting means to different needs and eventualities, the agency reported in what appeared to be intentionally vague terms.

More Pressure

Solidarity has in recent days been condemned through the Soviet bloc and attacked by the Communist rulers in Poland. The attacks were prompted by a warning from Moscow following the first phase of Solidarity's national congress in which the movement called for free elections and expressed support for free trade

unionism elsewhere in Communist Europe. The second phase is scheduled to begin on Saturday.

Pressure is expected to continue this week to persuade Solidarity to temper its radicalism before the next session. The Sejm (Parliament) is scheduled to meet and a Communist Party Central Committee plenary session may also be held.

In a message read from pulpits in churches throughout the country Sunday, Polish bishops said the media should belong to all and not be the preserve of one ideology or social group.

"It is inadmissible to limit freedom of expression merely because the views expressed contain truths which are inconvenient for or in discord with the conceptions of certain groups," the message said.

The bishops did not explicitly refer to the pro-Catholic Solidarity movement, but the timing of their message appeared significant.

Following the emergency government meeting, Deputy Premier Janusz Obodowski was asked by state television whether the new measures would amount to a state of war economy. "It is not that black," he replied, but added: "The situation is exceptionally difficult."

PAP said that popular dissatisfaction was growing in a number of regions because of shortages of everything from bread to shoes.

Signals from many regions of

the country report worsening supplies of meat and its products, washing powder, soap, industrial goods, shoes and other articles," PAP said. It said that bread consumption had increased, despite recent price rises of up to 300 percent, also noting that bakeries were running out of flour and that there were reports of vegetable and potato shortages.

At Sunday's meeting, "urgent matters relating to the actual socio-political and economic situation," was the subject of discussion," PAP said. "Assessing the present state, the council of ministers obliged local administrations to undertake exceptional steps in the field."

PAP said the government had made a number of "indispensable" decisions but did not disclose their nature.

Soldiers on TV

For the second straight evening, Polish soldiers were shown on state television condemning the political ambitions of Solidarity. "If counterrevolution appears again, we shall oppose it as soldiers should," one unidentified recruit said.

Roman Catholic Archbishop Jozef Glemp called Sunday for respect of human dignity and Pope John Paul also spoke again from Italy in favor of a peaceful solution to the crisis in his homeland. Solidarity has not yet formally

(Continued on Page 2, Col. 2)

Begin Reaffirms His Opposition To U.S. Sale of AWACS to Saudis

By William Claiborne

Washington Post Service

JERUSALEM — Prime Minister Menachem Begin, backed unanimously by his Cabinet, reaffirmed on Sunday Israel's "unreserved" opposition to the U.S. sale of surveillance aircraft and other advanced weaponry to Saudi Arabia, but denied that Israel is interfering in congressional hearings on the \$8.5-billion package.

In an apparent attempt to dispel any notion in Washington that he might extricate President Reagan from his dilemma on the issue, at the last minute by signing Congress that Israel could live with the Saudi deal, Mr. Begin said it was the duty of the Israeli government to voice its opposition.

In a communique, the Israeli Cabinet noted a report by Mr. Begin and other delegates to the Washington talks "voicing unreserved opposition to the sale of sophisticated weapons to Saudi Arabia, including offensive equipment for F-15 planes and the most sophisticated intelligence planes, the AWACS (airborne warning and control system)."

After the Cabinet meeting, Mr. Begin said there was no foundation to assertions by Sen. John Tower, Republican of Texas, that Congress is, in effect, by voting to support or deny the deal being asked to choose between Mr. Reagan and Mr. Begin.

Begin's Remarks

Mr. Begin's remarks came as something of a surprise because the Foreign Ministry had taken a lower profile on the AWACS package recently, reportedly instructing embassy officials in Washington to cease briefing members of Congress and the news media on Israel's grounds for opposing the sale.

Government sources said it was felt that there already is sufficient opposition to kill the Reagan-supported sale, and that further protesting would unnecessarily exacerbate the strain on U.S.-Israel relations.

Asked about Israel's lobbying efforts, Mr. Begin said, "I don't know if it is a high profile or a low profile. We did our duty... On Oct. 20, there will be a vote taken in this issue in both houses of the Congress. We shall see the results."

Mr. Begin insisted, in contrast to statements made by some U.S. administration officials, that in his discussions in Washington he did not detect the "slightest hint" of any linkage between the AWACS package and proposed

strategic cooperation between Israel and the United States.

There is a growing feeling among Mr. Begin's advisers that Israel has already sustained the bulk of any damage to its "image" that will result from the AWACS controversy, and that it has passed the point of no return. To even consider withdrawing its opposition to the Saudi deal would mean a complete loss of its strongest support in Congress, and would be costly to Mr. Begin's credibility at home.

The opposition Labor Party is as vehemently opposed to the AWACS sale as is Mr. Begin's ruling Likud coalition.

The widespread perception in

Israel, fueled by press attention to the controversy, is that the computer-controlled airborne command capability of the AWACS, which can simultaneously supervise a wide range of offensive ground and air operations, would soon wipe out Israel's qualitative military superiority over Saudi Arabia and the rest of the Arab world.

However, with the emergence of the proposed strategic cooperation pact, coinciding with growing congressional support for Israel on the AWACS issue, the emphasis appears to be turning to an appreciation of U.S. dependence on Israel.

(Continued on Page 2, Col. 7)

Iran Is Said to Execute 183 On Political, Moral Charges

From Agency Dispatches

BEIRUT — More than 180 people have been executed in several Iranian cities within the past three to four days on political and moral charges, according to informed sources in Tehran.

The executions took place in Tehran, Qom and several Caspian Sea towns, the sources said. Those executed were accused of being members of the Mujaheddin Khalq, a leftist group that has vowed to bring down the regime of Ayatollah Ruhollah Khomeini. Others were accused of homosexuality and drug smuggling. No specific breakdown of the charges was available.

The sources said that the number of executions in Iran over the weekend totaled 183. They said their information was based on announcements by local revolutionary courts and on Tehran newspaper accounts.

Tehran Radio, monitored by Reuters, said Sunday that 82 persons described as supporters of the Mujaheddin had been executed in Tehran in one of the biggest mass executions in three months.

Among those reported executed was son of Ayatollah Gholi Ghafeiri, a member of the parliament. Ayatollah Ghafeiri was a supporter of former President Abolhasan Bani-Sadr, who was impeached in June and later went into exile in France, along with the leader of the Mujaheddin.

The radio also reported that 12 supporters of the Mujaheddin had been executed in the eastern city of Meshed and the Caspian resort town of Qaem Shahr, where there is widespread local support for the guerrillas.

Iranian newspapers also reported that gunmen on Saturday wounded Habibollah Taheri, a prominent religious leader in the Caspian city of Gilan. His bodyguard died in the attack, the papers said.

Mohammadi Ghani, head of the courts at Tehran's Evin Prison, was quoted as saying at a news conference that armed demonstrations may face a firing squad at the "scene of their crimes" in the future. "Islam allows court officials to execute on the spot those arrested in armed demonstrations," he said.

In another development, Etehad reported that government forces had killed 180 Kurdish guerrillas in northwestern Iran. Quoting the government-general of West Azerbaijan province, the paper said that in the previous four

days government forces had recaptured vast areas of the province.

Iraq claimed Sunday that its forces killed 252 Iranian troops in continuing fighting along the battlefield with neighboring Iraq.

Iranian war reports broadcast by Tehran Radio also said the fighting was continuing on all fronts in the south and west, with sporadic shelling on all battlefronts along the 300-mile (480-kilometer) front line.

250,000 Rally Against Reagan Budget Policy

By Eric Pianin

Washington Post Service

WASHINGTON — More than 250,000 people gathered in the shadow of the Washington Monument and then marched to the Capitol to reaffirm the solidarity of the American labor movement and to protest President Reagan's budget cuts and tax policies.

Saturday's "Solidarity Day" demonstration was organized by the AFL-CIO and inspired by the workers' movement in Poland. City officials reported two arrests, both for minor incidents of disorderly conduct.

cards printed in Spanish, and unionized artists chanting "No Business Like Show Business."

It was a colorful patchwork of men, women and children wearing dozens of hues of matching paraphernalia and hoisting forests of

The crowd represented a broad cross of the country's working class; it included ironworkers from New Jersey, farm workers from California marching under pla-

• The latest strategy of the U.S. Democratic Party seems to be one of dynamic immobility. Page 3.

multicolored protest signs. The parade strung out for more than a mile down Constitution Avenue.

"If you do not embrace the proposition that this president has a mandate to destroy the programs that feed the roots of a decent society, look about you," the president of the AFL-CIO, Lane Kirkland, told the demonstrators. "You are not alone."

Mr. Kirkland said that President Reagan, who spent the day 65 miles away at Camp David, could no longer claim to speak for the average American worker. He said Mr. Reagan's tax-cut program was helping the rich more than anyone else and was proving to be the

"most irresponsible fiscal act of our time." He accused the administration of pursuing monetary policies that caused record-high interest rates.

"They are sacrificing the homes, health and hopes of millions on the altar of crank economic abstractions that defy the laws of simple arithmetic and dismay even their friends on Wall Street," he said.

The labor movement's warnings were echoed by representatives of civil rights and women's groups. "We're saying to those who have \$1,000 boots, while our children have no shoes, well, no, we won't," said a woman.

(Continued on Page 2, Col. 4)

China Puts 3 Satellites in Orbit

Early Warning of Soviet Attack Now Appears Assured

By Michael Parks

Los Angeles Times Service

PEKING — China placed three satellites into orbit above the Earth Sunday in what the Chinese news agency described as a major advance for the country's space program. The launch is also likely to prove a significant military development.

This was the first time that China had put more than one satellite into orbit with a single rocket, the agency said. It reported that all were functioning normally.

Continuous Coverage

Although the satellites were described as part of a "space physics experiment," Western military analysts here said they appeared to assure China the early warning protection it has wanted against any nuclear missile attack by the Soviet Union, giving Peking the possibility of launching an effective retaliatory strike.

China has the ability to detect and analyze missile firings from satellite observations, these sources said, and it will develop this in expected

technology transfers from the United States in the next two or three years. A major problem, however, has been assuring continuous coverage of the whole Soviet Union and the Pacific and Indian oceans where Soviet submarines are stationed, according to these Western analysts.

The launch Sunday also demonstrated China's ability to place a multiple warhead on its intercontinental ballistic missile, which has just emerged from the development stage, Western observers said.

The initial announcements in the Chinese news media gave few details. But the Shanghai-built FB-1 rocket, the space launch version of the CSS-4 intercontinental ballistic missile, undoubtedly was used to put the three satellites into orbit as it was used for the previous six Chinese satellites.

That rocket demonstrated a range of more than 6,200 miles in Pacific Ocean tests last year, enough to reach European Russia and the U.S. West Coast.

The last Chinese satellite was sent into orbit in January, 1978.

Russia Admits 2 Advisers Killed, One Seized by Pretoria in Angola

By John F. Burns

New York Times Service

MOSCOW — After more than two weeks of silence, the Soviet Union has acknowledged that South Africa killed two Soviet "military specialists" and captured a third in South African military operations in southern Angola earlier this month.

In a dispatch Saturday, Tass demanded the immediate return of the captured man, whom South Africa has identified as Sgt. Maj. Nikolai F. Pestretsov, 36. The agency also demanded the return of the two bodies.

The statement was the first acknowledgment that Soviet advisers in Angola included military personnel. South Africa has said that its forces killed a number of Soviet officers, including two lieutenant colonels, in the Angola incursion.

Tass also demanded the return of the bodies of two Soviet women who it said had been killed in the clash and whom it identified as wives of the military men. In a follow-up to its original announcement of the Soviet casualties, which was made Sept. 1, South Africa said one of the women was the wife of Sgt. Pestretsov.

Soviet Discomfort

The delay in confirming the South African claims appeared to reflect Moscow's discomfort at having its military role in Angola exposed in such a stark manner.

"It is common knowledge," Tass said, "that the Soviet Union is giving diverse assistance to the people of Angola in building a new life. Under the agreements that have been concluded, Soviet citizens work in various sectors of the Angolan economy. They also help the Angolan people to strengthen their defenses. Their functions in Angola, just as in any other country to which the Soviet Union gives aid

of this kind, do not go beyond the boundaries of technical advice and the training of Angolan national personnel."

"This is well known in the West as well," Tass continued. "It was from among these Soviet citizens and their families that four people were killed as a result of the attack and one seized by the South Africans. The Soviet side lays all responsibility for their deaths on the South African government and demands the immediate return of the captured Soviet citizen and of the remains of the deceased."

According to South Africa, Sgt. Pestretsov is not the only Soviet citizen it holds. Earlier this year Prime Minister P.W. Botha disclosed that South African security forces had captured a Russian whom he identified as Maj. Aleksandr Kozlov of the KGB. Mr. Botha asserted that Maj. Kozlov had been sent to South Africa to monitor the performance of black guerrillas of the African National Congress.

The Soviet acknowledgment that it has advisers in Angola was undoubtedly seen by the South African government as strengthening its hand in negotiations over the future of Namibia.

South Africa formally accepted UN proposals for black majority rule in the territory more than three years ago. But the proposals have not been carried out because of major disagreements between South Africa and the guerrilla South-West Africa People's Organization.

The Soviet acknowledgment that it has advisers in Angola was undoubtedly seen by the South African government as strengthening its hand in negotiations over the future of Namibia.

South Africa formally accepted UN proposals for black majority rule in the territory more than three years ago. But the proposals have not been carried out because of major disagreements between South Africa and the guerrilla South-West Africa People's Organization.

South African Response

CAPE TOWN (Reuters) — South African Foreign Minister Roelof F. Botha said Saturday that his government would consider the Soviet demand for the return of Sgt. Pestretsov.

U.S., S. Africans to Discuss Amending Namibian Plan

By Caryle Murphy

Washington Post Service

JOHANNESBURG — The U.S. assistant secretary of state for Africa, Chester A. Crocker, will meet a high-level South African delegation in Zurich on Monday to discuss amendments to a UN plan for the independence of South-West Africa (Namibia), the State Department announced in Washington.

Those amendments foresee a specific timetable for implementing the UN plan, which is to culminate in Namibian independence from South Africa in January, 1983, as well as a proposal that soldiers of the five Western nations that drew up the plan form the bulk of a UN peacekeeping force, the Afrikaans-language newspaper Beeld reported Saturday.

Beeld, which has close ties to South Africa's ruling National Party, disclosed the Zurich meeting that was announced later in the day by the State Department.

The meeting was "to provide South Africa with clarifications they requested on points concerning the basis for moving forward in the Namibian negotiations," a State Department official, reached by telephone, said.

The United States, Britain, France, West Germany and Canada have labored for more than four

years to get a UN-supervised election in Namibia. They are to meet again Thursday in New York to discuss the latest plan.

[The Associated Press reported from Zurich, quoting sources, that Mr. Crocker had arrived Sunday for the two days of talks with South African officials.]

South Africa has ruled Namibia since 1920 under an old League of Nations mandate that was withdrawn in 1966 by the United Nations.

A State Department official declined to comment on Beeld's account of the amendments being offered by the United States and its allies to get South Africa's cooperation with the UN plan.

A Western diplomatic source here said Beeld's account is generally accurate. It reported that the amendments have the endorsement of the guerrilla South-West Africa People's Organization (SWAPO) battling for control of Namibia.

Angola's agreement was secured after West German Foreign Minister Hans-Dietrich Genscher met his Angolan counterpart, Paulo Jorge, in Bonn last week. Beeld said Angola would guarantee that the estimated 19,000 Cuban sol-

(Continued on Page 2, Col. 1)

Vietnam, Cambodia Regime Assail UN Decision to Seat Khmer Rouge

BANGKOK — Vietnam and Cambodia's Heng Samrin regime on Sunday attacked the UN General Assembly decision to keep the deposed Pol Pot regime in Cambodia's UN seat.

The assembly on Friday voted 77 to 37 with 31 abstentions on the

measure, a margin three votes larger than last year's ballot on the issue. The vote was a victory for the Association of Southeast Asian Nations — Singapore, Malaysia, Indonesia, Thailand and the Philippines — as well as for the United States and China.

The Vietnamese party daily,

Nhan Dan, called the vote "a wrong decision," while the Cambodian news agency said it was "contrary to the present reality in Cambodia."

The Cambodian agency quoted the Foreign Ministry in Phnom Penh as saying that since the ouster of Mr. Pol Pot, the Heng Samrin administration had effectively run the affairs of the country and followed a foreign policy of peace, friendship and broad cooperation with all countries. Nhan Dan charged that the Khmer Rouge were maintained at the United Nations by Chinese and U.S. "bribery" and "pressure."

Third Attempt

It was the third year that Vietnam and the Soviet bloc sought rejection of the credentials of the Pol Pot government. They urged acceptance by the United Nations of the Heng Samrin regime established in Cambodia in January, 1979, after Vietnamese troops captured Phnom Penh and forced Mr. Pol Pot and his followers to flee.

The assembly's nine-member Credentials Committee had voted Wednesday, 5 to 2, with two abstentions, to seat the Pol Pot regime, despite charges that the Khmer Rouge leader was responsible for the deaths of from 1 million to 3 million people after his forces ousted the U.S.-supported Lon Nol government in 1975.

Singapore Ambassador Tommy T.B. Koh called Vietnam's contention that Pol Pot was ousted by a popular revolt "historically false" and said that to seat the Heng Samrin group would be to equate a "puppet force" with legitimate nationalists.

U.S. delegate Kenneth Adelman, speaking for Ambassador Jeane J. Kirkpatrick, called the continuing Vietnamese occupation of its neighbor a direct violation of General Assembly resolutions calling for withdrawal of foreign troops from Cambodia.

Berlin March Protests

Eviction of Squatters

BERLIN — About 6,000 persons marched through West Berlin on Sunday to protest plans by the city to evict squatters who have been occupying eight abandoned buildings. Scores of police were on hand, but there were no incidents reported.

The marchers, who included members of political youth groups as well as Communists and ecologists, were protesting an announcement by the city housing minister, Heinrich Lummer, that he would order police to clear out the squatters if they did not leave the buildings by midnight Sunday.



A cloud of tear gas separated Dutch police and protesters at the Dodevaard nuclear plant.

Police, Protesters Clash at Dutch A-Plant; 100 Injured

DODEWAARD, Netherlands — Riot police battled thousands of demonstrators Sunday to break up blockades outside a nuclear power plant, leaving 100 persons injured in two days of protest, organizers said.

After renewed tear-gas charges by police Sunday morning, tensions eased when several

hundred elderly anti-nuclear demonstrators joined the young crowd at the Dodevaard plant in the eastern Netherlands.

A spokesman said 15 protesters had been arrested since the first clashes Saturday afternoon with a crowd that the police estimated at about 5,000. The demonstrators have vowed to maintain a weeklong blockade.

The crowd appeared to be heading a call from the state police commander to stop building roadblocks later Sunday, but continued to form human barriers. Protest organizers said 15,000 protesters were staying at a tent camp near the plant, with 1,500 to 2,000 at a time blockading three access roads to the plant.

250,000 Rally Against U.S. Budget Policy

(Continued from Page 1)

lance and by counting the buses parked on the Mall and at satellite parking lots near Metro subway stops.

Saturday's crowd was apparently slightly larger than the 250,000 who took part in an anti-Vietnam War rally near the Washington Monument on Nov. 15, 1969. It was larger than the crowd of 200,000 who took part in the Aug. 28, 1963, March on Washington led by Rev. Martin Luther King Jr. It did not, however, rival the

crowds of 500,000 and more that have witnessed presidential inaugurations and the U.S. hostage motorcade on Jan. 28 of this year.

The march took more than three hours to complete. Among those leading the way were Coretta Scott King, widow of the slain civil rights leader and co-chairman of the Full Employment Action Council; Bayard Rustin, chairman of the A. Philip Randolph Institute; Vernon E. Jordan, retiring president of the National Urban League; and Eleanor Smeal, president of the National Organization of Women.

W. Germany Calls On EEC Members For Unity Charter

Bonn — The West German government announced Sunday that it will call on other members of the European Economic Community to negotiate a "European Act" to pave the way to greater unity.

Spokesman Kurt Becker said the decision was made Friday during a Cabinet meeting and would be put before the other nine members of the EEC during the next meeting of the EEC government chiefs scheduled for London on Nov. 26 and 27.

In a statement distributed to reporters, Mr. Becker said the Cabinet had empowered Foreign Minister Hans-Dietrich Genscher "to negotiate... a political act of European union." He said the act should bring together "the European Community and European political cooperation under the umbrella of the Council of Europe."

He said the government believed a stronger union would contribute to the solution of many problems, including the EEC budget, agricultural policy and the internal economy.

Elderly Join In, Too

The procession at one time stretched for more than a mile and a half. A group of elderly citizens from Charlottesville, Va., carried signs saying, "We paid for Social Security, not for a safety net," and "Social Security is help when help is needed."

The speeches at the Capitol reflected a strong fear of the future under a Reagan administration and hope for more influence for the labor movement.

"We did not choose this battle," said Sam Church Jr., president of the United Mine Workers of America. "It was thrust upon us by President Reagan, a president who claims to have a mandate from the people. Well, we are the people and I proclaim that if the battle must be, let it be."

Dutch Hikers Rescued

PIETERBUREN, Netherlands — Dutch and West German Army helicopters assisted by coast guard vessels rescued 146 hikers who were surprised by a fast-rising tide Saturday in mud flats off the northern coast of the Netherlands, near the West German border, a navy spokesman said.

WORLD NEWS BRIEFS

Duarte Alleges Continental Communist Drive

NEW YORK — President José Napoleón Duarte of El Salvador said Sunday that the guerrilla war in his country is not simply a local problem but an international Communist attempt to take over South America.

He also said his ruling U.S.-backed junta is willing to negotiate a solution with the guerrillas but only on the condition that they commit themselves to democracy.

Mr. Duarte, in the United States on a 10-day tour to gain military and political support, said he would explain the international importance of the Salvadoran civil war to President Reagan when he meets him Monday. Before leaving El Salvador on Friday, he also said he will address the United Nations.

Heavy Fighting Is Reported in Afghan City

QUETTA, Pakistan — Heavy fighting erupted in Kandahar, Afghanistan's second largest city, where street battles have continued since the Soviet-backed regime announced the recall of former soldiers 12 days ago, reliable Afghan sources said Sunday.

Some reports reaching Quetta, about 150 miles (240 kilometers) south-west of Kandahar, cited heavy civilian casualties in rapid bombardments and 250 to 300 buildings destroyed. It was the heaviest fighting in the important provincial capital since guerrillas seized large areas last April.

The provincial governor, police chief and military commander fled to the Soviet-occupied airport southeast of the city but the governor's secretary and the garrison in the new city remained in government hands, the accounts said.

Polish Hijackers in W. Berlin to Be Put on Trial

BERLIN — Twelve young Poles who hijacked an airliner to West Berlin will be tried for air piracy, a city justice Ministry spokesman said Sunday.

A magistrate issued a formal arrest warrant Saturday night against the nine men and three women who hijacked the Polish airliner Friday on a domestic flight between Katowice and Warsaw. They are being held on suspicion of attacking air traffic and taking hostages, offenses which carry a maximum sentence of five years in prison.

Formal charges are to be made when authorities have completed their investigations. U.S. officials who questioned the hijackers after they were themselves up at Tempelhof airport in the city's U.S. sector said the group had threatened the four-member crew with gasoline bombs.

U.K. Liberal Leader Calls for Work With SDP

LLANDUDNO, Wales — Britain's Liberal Party has ended its annual meeting with a call from the party chairman, Roger Pinchem, to make the new alliance with the fledgling Social Democratic Party work.

"The alliance for which we voted must become a living reality to thousands of people," Mr. Pinchem said Saturday in Llandudno. "Our task is in many ways to recreate that great coalition of progressive forces which backed the Liberal Party at the beginning of this century."

The Liberals voted Wednesday to form an electoral alliance with the centrist Social Democrats, and a Gallup Poll published the next day indicated that the two parties could muster enough votes to win power in parliamentary elections, due by the spring of 1984.

Continued Boycott of Belgian Cabinet Threatened

BRUSSELS — Premier Mark Eyskens' French-speaking Socialist Cabinet partners warned Sunday that they will continue to boycott Cabinet meetings unless a financing formula is worked out for additional aid to Belgium's ailing steel sector.

"We have had enough," Guy Spindts, president of the French-speaking Socialists, said on Belgian television Sunday. He said that unless the government gives "top priority" to aid for the steel industry in Belgium's southern French-speaking half, his party will continue the boycott.

The ministers walked out of Friday's Cabinet meeting protesting the government's inability to agree with banks on 31 billion francs (\$770 million) in aid for the steel giant, Cockfield-Sambre. Mr. Eyskens, a Flemish-speaking Christian Democrat, termed the ministers "strikers" and has given them until Monday afternoon to rejoin his coalition.

Begin Reaffirms Opposition To Sale of AWACS to Saudis

(Continued from Page 1)

as a strategic necessity in the Middle East.

Palestine Autonomy Talks

TEL AVIV (Reuters) — Israel will have no new proposals to present when talks on Palestinian autonomy reconvene in Cairo this week, the chief negotiator, Yosef Burg, said Saturday.

Mr. Burg told an Israeli radio interviewer that Israel would put forward its previous positions, which were rejected by Egypt.

The talks on giving autonomy to the Palestinians of the Israeli-occu-

pied West Bank and Gaza Strip were arranged as part of the U.S.-sponsored Camp David peace accord between Israel and Egypt.

They dragged on for a year without making progress until Egypt suspended them in May 1980. But Mr. Begin and President Anwar Sadat of Egypt agreed last month to resume the negotiations.

Mr. Burg said Israel was offering the Palestinians 80 percent self-rule.

The other 20 percent concerned security and foreign relations that Israel wanted to keep under its own control. Mr. Burg said Egypt has placed a wider interpretation on autonomy for the Palestinians, effectively demanding a fully autonomous West Bank state.

Mugabe Renews Threat to Detain His Predecessor

SALISBURY, Zimbabwe

Prime Minister Robert Mugabe renewed a threat Sunday to detain his predecessor, Bishop Abel Muzorewa, and urged youths to defend their country against possible invasion.

Mr. Mugabe, addressing hundreds of young people who gathered outside his official residence with placards calling for a one-party state, was cheered when he declared that the youths would guard Bishop Muzorewa at a detention center.

"We will give him plenty of bibles there," Mr. Mugabe said of the American-trained Methodist bishop. The prime minister has recently stepped up a campaign against Bishop Muzorewa, who headed a transitional government of black and white ministers for six months in 1979.

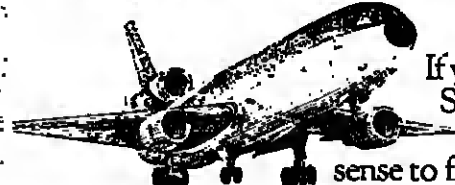
Mr. Mugabe told the young people: "You, the youths, must be the eyes of ZANU-PF [his ruling Zimbabwe African National Union Patriotic Front]. You, the youths must be the ears of the party. You must be the weapons for the defense of our party and country."

Correction

The Associated Press

WIESBADEN, West Germany — The Federal Criminal Office has admitted that a photograph distributed was not that of Christian Klar, a suspected terrorist leader, but of an innocent Cologne student. The photograph appeared in editions of the International Herald Tribune dated Sept. 19. The student, Claus Michael Gung, reported to police after seeing his picture transmitted on a national television network published on the front page of most West German newspapers. He was photographed behind the wheel of his car by a radio camera, in a studio built by police and

Fly a great American success story direct to the States.



If you're going to the States or beyond, it makes good sense to fly with the experts.

Air Florida is America's fastest growing airline and the only airline that flies direct to Miami from Brussels, Amsterdam, London and Shannon.

What's more, the cost of an Air Florida First Class ticket is substantially less than that of other airlines.

And when we say First Class we really mean First Class. Air Florida service is quite simply second to none.

Have a pleasant flight.

We do everything we can to make sure you arrive rested, relaxed and in the best frame of mind for business or pleasure.

A deep cushioned armchair in the cabin, champagne, a choice of vintage wines and superb French Cuisine are all part of the service. Not to mention full-length feature films and multi-channel stereo through proper padded headphones.



On from Miami.

For the same First Class fare as Miami, Air Florida will fly you on to Houston or Dallas. And there are easy connections to 12 other Floridian destinations and 9 major cities in the United States.

While by way of the Miami gateway, Air Florida

offers connections to the major Caribbean and Latin American destinations.

What's more, you can stop over in Miami if you wish, for a few relaxing days before flying on.

Full service for an economy fare.

Should you want to fly Economy, Air Florida also have an excellent unrestricted fare to Miami.

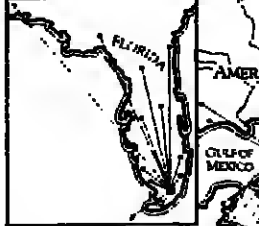
You book when you want, fly when you want and return when you want. Your seat is guaranteed, as is proper cabin service and hot meals. So whether it's First Class or Economy Class, ring your travel agent or local Air Florida office for full details.

London Tel: 01-409 2882, Telex: 22332.

Amsterdam Tel: 46-20-81, Telex: 18764.

Brussels Tel: 513-6300, Telex: 23932.

Shannon Tel: Dublin 605129, Telex: 25517.



CONNECTIONS VIA MIAMI

from LONDON
GATWICK, AMSTERDAM,
BRUSSELS & SHANNON

FLORIDA
Miami to Marathon
Key West
Fort Myers
Fort Lauderdale
West Palm Beach

Tampa
Orlando
Cocoa
Jacksonville
Tallahassee
Panama
Nassau

LATIN AMERICA
Buenos Aires
Managua
San Pedro
San Paulo
Rio de Janeiro
Sao Paulo
Lima
Cuzco
San José
Tegucigalpa
Bogotá
San Pedro Sula

BAHAMAS
Grand Turk
Freetown
Rock Sound
George Town
N. Christmas
Marsh Harbour
Treasure Cay

OTHER U.S.A. DESTINATIONS
Houston
Dallas-Ft. Worth
Washington D.C.
New York
White Plains
Tulsa
St. Louis
Chicago

Our American success story is the greatest way to fly.

Air Florida
America's fastest growing airline.

For schedule, fares and other information, contact your travel agent. All information is subject to change without notice.

SILK CUT

THE MILD CIGARETTE
GALLANER LIMITED

Britain's leading mild cigarette.
Low in tar and nicotine.

U.S. Scales Down Plan To Ease Restrictions On CIA Spy Activities

By Mary Thompson

WASHINGTON — The Reagan administration has backed off significantly from plans leaked earlier this year to ease restrictions greatly on spying on Americans in the United States and abroad.

In a speech last week to the New York City Bar Association, Richard Willard, intelligence adviser to Attorney General William French Smith, said the administration is continuing to revise executive orders and regulations governing intelligence activities, to make them "simpler, easier to apply and less restrictive of lawful intelligence practices."

Mr. Willard's speech made clear that the administration no longer supports a draft executive order, obtained by reporters in March, that would have made it easier for the CIA to conduct covert operations in the United States.

In addition, the order would have eliminated the Carter administration standard of using the "least intrusive means possible" to collect intelligence information and would have restricted the attorney general's veto power over controversial intelligence techniques, such as break-ins, mail opening, bugging, and camera monitoring.

Mr. Willard, who serves on the interagency task force drafting the new executive order, said the original draft was never intended to be policy.

One of the problems with the

draft was that the wording was not as precise as it should have been. It made it look as if the CIA was going to get more involved in domestic spying. The language made things look worse than they really were. No one contemplated any changes such as getting the CIA involved in domestic spying.

Intelligence community sources say the draft proposal carried a cover letter signed by Central Intelligence Director William J. Casey when it was circulated internally.

'Rule of Law'
In his speech, Mr. Willard said, "We are committed to the principle that intelligence agencies are subject to the rule of law and that all intelligence activities must be conducted in a lawful manner."

On the question of using controversial investigative techniques without a judicial warrant, Mr. Willard said the administration has decided to continue the Carter policy.

That means the president must approve the general type of surveillance allowed and the attorney general then must approve the activity case by case after determining probable cause to believe that the subject of the surveillance is an agent of a foreign power.

Mr. Willard indicated that the administration is going a step further in explicitly defining who can be considered an agent of a foreign power, a change immediately praised by the American Civil Liberties Union.

Those who can be so classified will be limited to officers or employees of foreign governments who are not U.S. citizens or permanent resident aliens, and any person who "knowingly engages in illegal clandestine intelligence activities, sabotage or international terrorism on behalf of a foreign power."

Mr. Willard also said the administration will propose legislation to tighten the Freedom of Information Act and will push existing legislation making it a crime to reveal the identity of a covert U.S. intelligence agent.



PROTESTERS FREED — Two women anti-nuclear protesters who were among more than 1,000 jailed last week in San Luis Obispo, Calif., celebrated with a friend after their release. The protest leaders planned a new assault on the Diablo Canyon nuclear plant Monday, when the plant was expected to get a test license from the Nuclear Regulatory Commission.

House Panel Plans 'In-Depth' Investigation Of Case Linking an Ex-CIA Agent to Libya

By Philip Taubman

WASHINGTON — The House Select Committee on Intelligence has decided to conduct a full-scale investigation of the activities of Edwin P. Wilson, a former American intelligence agent charged with illegally exporting explosives to Libya as part of a program to train terrorists, committee members say.

The investigation into the Wilson case and related activities will examine Mr. Wilson's conduct and the way the U.S. government has handled his case, committee members said Friday.

"This whole case requires an in-depth look," said Rep. Edward P. Boland, Democrat of Massachusetts and chairman of the committee.

sets and chairman of the committee.

Mr. Boland and other committee members said Mr. Wilson's activities had exposed possible deficiencies in U.S. laws governing the conduct of former intelligence agents and the transfer of advanced technology abroad.

"We will be looking for possible legislative remedies," Mr. Boland said. He added that some of the issues might be referred to other House committees for study.

In the Senate, Lloyd M. Bentsen, Democrat of Texas and a member of the Senate Intelligence Committee, said Saturday that he would introduce legislation to bar would introduce legislation to bar

The bill would make it a crime, punishable by a maximum fine of \$25,000 or a maximum prison term of 10 years, or both, in selling weapons, explosives devices, restricted military and communications equipment and expertise in any of these areas to a foreign power or its agent for the purpose of aiding international terrorism. Officials who have worked on the Wilson case have said they were handicapped by a dearth of statutes covering aid to terrorist organizations.

Two Were Indicted in 1980

Investigators say that in 1976, Mr. Wilson, a former covert operative for the CIA, negotiated a deal with the leader of Libya, Col. Moammar Qadhafi, to sell expertise in intelligence and military matters for the training of terrorists in the North African nation.

Mr. Wilson and another former CIA agent, Frank E. Terpil, were indicted in April, 1980 by a U.S. grand jury here on multiple charges of illegally exporting explosives to Libya and conspiring to assassinate a Libyan critic of Col. Qadhafi. Both men are fugitives and are living abroad.

The Federal Bureau of Investigation is also looking into an allegation that a company controlled by Mr. Wilson bribed an official of the Energy Department in 1976 with funds obtained from the Control Data Corp. Investigators say the bribes were paid to obtain inside information on military contracts useful to Control Data. Control Data acknowledges that it did business with one of Mr. Wilson's companies but denies having knowledge of the bribe payments.

William J. Casey, director of Central Intelligence, was informed of the House committee's plans Thursday during a regularly scheduled meeting, staff members said. They said Mr. Casey had pledged to cooperate fully.

Several senior intelligence officials said Friday there was concern at the agency that a congressional investigation could hurt internal morale and divert public attention from the need to rebuild operational and analysis functions that they believe were damaged by investigations in the mid-1970s.

Springboks Win Initial U.S. Match

Spectators, Protesters Battle; 2 Are Arrested

New York Times Service

RACINE, Wis. — The visiting South African rugby team played its first match on U.S. soil during the weekend before about 400 cheering, beer-drinking spectators.

The Springboks, dressed in green and white, defeated a white-clad U.S. amateur team at Roosevelt Park, a city-owned athletic field on the shore of Lake Michigan, 46-14.

Two persons were arrested in skirmishes between white spectators and demonstrators from a black neighborhood nearby. A busload of demonstrators from Chicago arrived 30 minutes after the game Sunday.

The playing of the game, which had been blocked in Chicago, left the spectators exuberant. Black residents of this industrial town of 95,000 were bitter and vowed that they would complain to city officials.

They ran out of every city in the Midwest but they allowed them to come here. It's disgusting," complained Joe Harris, one of the arrested demonstrators, in a reference to the number of sites that had been closed to the game.

Opponents of South Africa's racial policy have raised objections in the town, saying that South African sports teams should be isolated. The match's organizers have been blocked in attempts to use public stadiums in New York and Chicago.

Los Angeles Mayor Thomas Bradley has been trying to get the matches canceled because of threats by Third World countries to boycott the 1984 Olympics, scheduled for Los Angeles.

Last week, a match in Albany, N.Y., involving the team was canceled after Gov. Hugh L. Carey issued a statement saying the match should not take place.

Fearing clashes of the kind that occurred during the Springboks' just-concluded tour of New Zealand, the organizers had tried to keep the place of Saturday's game a secret. But Racine police appeared to have had advance notice. The area around the field was roped off, and some black residents complained that they had trouble getting in and out of their neighborhood.

Sports Boycotts of U.S. Urged
NAIROBI (Reuters) — The Organization of African Unity called for a boycott of sporting events involving the United States, casting a shadow over the 1984 Olympics.

The OAU, angered by the Springboks' U.S. tour, called for the boycott from its headquarters in Addis Ababa, Ethiopia, on Friday night. The call won support from the Soviet Union on Saturday.

The statement from the 50-nation organization said: "The OAU urges its members and justice-loving countries in the world to take all necessary measures to ensure that their nationals refrain from participating in all sporting events which include the United States."

It made no mention of the Los Angeles Olympics but the threat to the games was implicit. Many African nations stayed away from the 1976 Olympics in Montreal to protest the presence of athletes from New Zealand, after a New Zealand rugby tour of South Africa.

The Soviet National Olympic Committee said in Moscow that it would give full support to African protests against the tour, which it described as a violation of the Olympic charter.

The United States engineered a boycott of the 1980 Olympics in Moscow by many countries after the Soviet intervention in Afghanistan.

Letter by Reagan Suspect to Paper Tells of Desire to Be Near Actress

United Press International

WASHINGTON — John W. Hinckley Jr., accused of trying to kill President Reagan, says in a letter to The Washington Post that his travels before the attempt on Mr. Reagan's life on March 30 were a part of his effort to be near Jodie Foster, the actress.

The Post said Sunday that one of its reporters received an unsolicited letter from Mr. Hinckley, dated Sept. 7, in which he wrote:

"You and the other journalists make it sound like I was some kind of a hobo or something. My recent cross-country ventures were necessary because New Haven was so far away. I would have traveled to Budapest to find Jodie Foster. Now that I'm in Maryland, she and I are much closer, in more ways than one."

The Post said the letter was written in black ink on lined paper and was signed "Yours truly, John Hinckley Jr."

In the letter, Mr. Hinckley, 26, who is now held at Fort Meade, Md., said he did not want to be called a "drifter" in future stories. "I may have done some drifting about in the Fall of 80, but in the years prior to this, I was not roaming around the country."

Miss Foster is a freshman at Yale University in New Haven, Conn., when Mr. Reagan was wounded. Law enforcement officials said they found an unmailed letter to Miss Foster in Mr. Hinckley's Washington hotel room after he was arrested, and they think Mr. Hinckley tried to kill Mr. Reagan in an attempt to impress Miss Foster. Mr. Hinckley has pleaded not guilty in all the charges against him.

Reagan Reported Planning To Drop a Treasury Bureau

By Phil Gailley

New York Times Service

WASHINGTON — The Reagan administration has decided to eliminate the Treasury Department's Bureau of Alcohol, Tobacco and Firearms and shift its functions to other U.S. government law enforcement agencies, administration sources have confirmed.

The move, although justified by the administration as a budget savings, represents a major victory for the National Rifle Association, a pro-gun lobby that recently launched a nationwide television campaign portraying the agency as "jackbooted fascists" who harassed gun owners for technical violations of the law.

The administration also was reported to be prepared to request the elimination of the Consumer Product Safety Commission. However, a high-ranking administration official said the abolition plan had been dropped because Congress already had made substantial savings by cutting the commission's budget for 1982 by 25 percent, from \$44.6 million to \$33 million.

Treasury officials would say only that no decision had been made about the future of the Bureau of Alcohol, Tobacco and Firearms, but other administration officials confirmed Friday that the agency would be abolished in the new round of budget cuts.

G.R. Dickerson, director of the bureau that deals with violators of firearms laws, cigarette smugglers and illicit alcohol producers, left his office Friday with instructions that he would be unavailable for comment.

'Ominous Feeling'
In an interview last week, however, Mr. Dickerson said he had an "ominous feeling" that the agency would not survive a new round of spending cuts. He complained that the bureau was being "destroyed by cuts that are in a large measure due to the NRA campaign against us."

On Thursday he attended a budget meeting at Treasury where he heard the death notice. The bureau, which in earlier times became famous for its crackdown on Southern moonshiners, had been considered for extinction when the administration fashioned its first wave of spending cuts in the spring.

It was spared then because of the intervention of Treasury Secretary Donald T. Regan, according to bureau sources. Instead, more than \$13 million was cut from its 1982 budget of \$159 million. Mr. Dickerson said he had managed to absorb those cuts without any reductions in the bureau's enforcement of firearms laws, its regulatory functions and its enforcement of federal agencies.

Under the administration plan to abolish the bureau, its regulatory and enforcement functions would be transferred in other federal agencies.

According to administration sources, most of its regulatory and tax collection functions would be assigned to the Internal Revenue Service and the Customs Service, and its enforcement activities could go to the Secret Service or the Department of Justice.

The bureau collects \$8 billion annually in federal alcohol and tobacco excise taxes. It also is charged with regulating the firearms, explosives and alcohol industries.

The bureau's functions date from 1934 when Congress passed the National Firearms Act assigning responsibility for controlling traffic in firearms in the Alcohol and Tax Division of the IRS. It remained part of the IRS until 1972, when the bureau was established as a regulatory and enforcement agency.

Chief Diplomat Is Recalled From Havana by U.S.

The Associated Press

WASHINGTON — The United States has recalled for consultations its top diplomat in Havana, Wayne Smith, the State Department reported.

The recall comes during renewed tensions in relations with Cuba. "With all that's been going on, it's not unusual to recall your man for consultations," said David Hall, the department spokesman. "We intend to send him back. He'll probably be here a couple of days."

Mr. Smith, who left Havana Saturday, is chief of the U.S. interests section of the Swiss Embassy there. The United States does not have diplomatic relations with Cuba and is officially represented there by Switzerland.

On Tuesday, Mr. Smith walked out of a speech by President Fidel Castro of Cuba in a meeting of the Interparliamentary Union to which Mr. Castro attacked U.S. policies that he said led to massacres in El Salvador, the Middle East and Africa, and again accused the United States of introducing dengue fever into Cuba.

The Reagan administration has said that Cuba is handling arms shipments to rebels in El Salvador.

U.S. Democrats Have New Strategy: Dynamic Immobility

By Martin Tolchin

New York Times Service

WASHINGTON — "Republicans are fighting with Wall Street. Democrats are fighting with themselves — I think I'll sit on the sidelines for a while," said a beaming U.S. House Speaker Thomas P. O'Neill Jr. The statement reflected the congressional Democrats' new strategy — dynamic immobility. It is an unusual tactic for an activist party long convinced that it had the solution — pay, multiple solutions — to every problem.

More than anything else, the strategy reflects the deep wounds inflicted during the budget and tax battles last spring and the seven months of internal strife in which the party was torn between liberals, moderates and conservatives in the fashion of the Republicans of the past.

Struggling to develop alternatives to President Reagan's package of budget and tax cuts, the Democratic leadership proposed, to the consternation of the party's diminishing band of liberals, a budget that would have given Mr. Reagan 75 percent of the cuts he wanted. Their tax bill, meanwhile, was almost indistinguishable from the White House's. And in any case, it was all for naught.

The president's package, premised on the need to sharply curtail social programs and cut taxes, sailed through. The party of

the people left town in August, nursing a deep despondency. But once out of Washington, their power grew in direct proportion to Wall Street's doubts about the Reagan economic program.

Doing Nothing

The Democrats returned from the five-week summer recess to find that they had accomplished more when they did nothing than they had through their frantic labors.

So when the White House announced recently that it was pressing for a new round of cuts in the social budget, the House Democrats agreed not to go to work on an alternative package. Their Senate counterparts, at a meeting later in the week, generally agreed to follow the House's example.

The Democrats' new position was also manifest in their decision not to come forward with a proposal to revise the Social Security system, which is sought by the president. The speaker and Rep. J.F. Pickle, Democrat of Texas, chairman of the Social Security subcommittee, agreed that, although the Democrats were the unquestioned experts on the matter, they would let the Republicans offer a bill to trim or delay benefits. "Why help the president break

his campaign promise?" one Democrat asked.

In a similar departure from tradition, 95 Democrats joined 131 Republicans earlier this month in defeating a \$3.1-billion authorization for the State Department. In the past, the Democrats felt responsible for authorizations that kept the government running; now they see no reason not to provoke federal employees.

Some Democrats fear success. They now claim a position of strength through failure and feel that they cannot be blamed for the budget cuts, the tax bills, the interest rate, inflation or unemployment. In their view, the Reagan administration is now fully responsible for the state of the economy — a position that would be jeopardized if the Democrats put forth a position and won.

'Bipartisan' Hears
They have also smarted from the White House contention that the budget and tax legislation was "bipartisan" since the "bipartisan" effort involved only the "boll weevils" — Southern Democrats who voted with the Republicans.

The House Democratic caucus rejected efforts to punish the defectors by stripping them of committee assignments and chairmanships, but agreed that such conduct should be the ground for punitive action in the future.

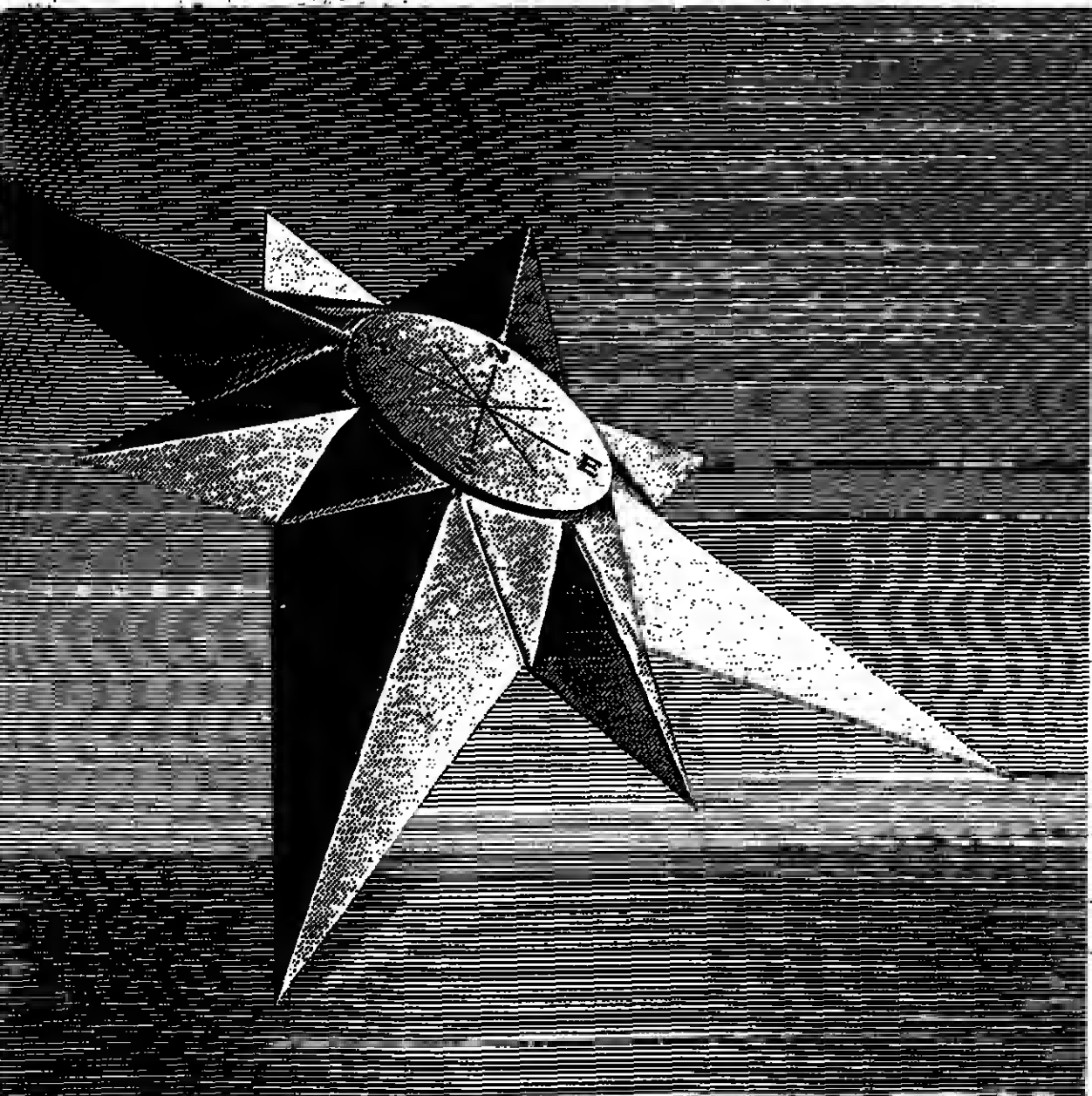
Although they are taking a back seat in the legislative arena, the Democrats plan to take their case to the people. To dramatize the effects of the Reagan budget cuts, the House Democrats have decided to send their committee chairmen across the country, to hold hearings on the impact of cuts in food stamps and child nutrition, education and health programs.

"The object is to discover at the local level the actual effect of the budget cuts," said Rep. Jim Wright, Democrat of Texas, the majority leader. The object also is to enlist voter support in next year's congressional elections, in the face of Mr. Reagan's popularity and the redistricting that is expected to cost the Democrats seats in the Northeast and Midwest.

Despite the risks, the Democrats' dejection has changed almost to elation. The Republicans, meanwhile, bedeviled by Wall Street and high interest rates, appear more than distressed.

Neither party is showing much enthusiasm for a new budget battle. Sen. Theodore F. Stevens of Alaska, the Republican whip, favors waiting until March to see how the economy reacts to the Reagan budget and tax packages before enacting further cuts.

The Democrats are sanguine. "They've painted themselves into their corner," Rep. Wright said. "Now let's see them get out of it."



Only someone on the right course can help you with yours.

A universal bank has the right instruments to determine your exact position and help plot the best course to your goal. The coordinates of our branch system dot the globe. Whenever and wherever you encounter problems

with complicated international financing, contact the Deutsche Bank.

We'll put your business on a proper course.

Deutsche Bank
A century of universal banking



Central Office: Frankfurt am Main/Düsseldorf Branches abroad: Antwerp, Asunción, Barcelona, Brussels, Buenos Aires, Hong Kong, London, Madrid, Milan, New York, Paris, São Paulo, Tokyo, Representative Offices: Beirut, Bogotà, Cairo, Caracas, Istanbul, Johannesburg, Lagos, Mexico, Moscow, Nairobi, Oaxaca, Rio de Janeiro, San José, Santiago, Sydney, Tehran, Tokyo, Toronto; Subsidiaries: Geneva, Hong Kong, London, Luxembourg, Singapore, Zürich

Nothing makes this clearer than the administration's trouble in selling its insistence that it is not choosing between Israel and Saudi Arabia but creating a framework in which American interests in both places can be served. Both countries have their partisans who, in mutual myopia, declare that AWACS entails precisely that either-or choice. The Israeli side suggests that a green light would mean a cave-in to Saudi oil blackmail; the Saudi side says a red light would mean a cave-in to the Israeli lobby.

The more we hear of the AWACS debate, the more we feel that the principal arguments pro and con have an arbitrary debating-point quality and do not reach the heart of the Mideast matter. The heart is: The United States should help its friends prepare to defend against both external Soviet-sponsored assault and against radicalism within the region. But help restricted to the provision of military hardware, to any state, is bound to be inadequate if it is not accompanied by a vigorous diplomatic effort to end the Israeli-Palestinian war. This is the point being lost in the AWACS debate.

THE WASHINGTON POST.

Hardly anyone believes the Panglossian

One has the uneasy feeling these days that economic policy-makers are chasing their tails. This month's crisis leads to "solutions" that are then seen as the cause of next month's crisis. It would be nice to believe that President Reagan is strong enough politically to break the cycle. If not, the best hope is that he will be strong enough morally not to soak the poor.

THE NEW YORK TIMES.

September 21, 1906

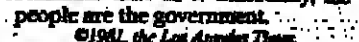
HONG KONG — A thousand persons perished as a result of yesterday's typhoon. All navigation is suspended on account of the lack of craft. More than 1,000 sampans and junks are missing from Hong Kong alone. Whole wharves were swept away, houses collapsed and the military barracks are in ruins. The Kongmoon is sunk, the Sir William Jervis is sunk and the British steamer Radnorshire is damaged. Hundreds of Chinese boatmen and their families were saved by the bravery of the police and of civilians, but hundreds more of these water dwellers must have perished, many within a short distance of the shore. The Chinese take the disaster calmly, and there are no manifestations of grief.

THE WASHINGTON POST.

September 21, 1931

LONDON — An extraordinary session of the cabinet this evening decided to suspend for the time being the gold convertibility of the pound sterling. Legislation to this effect is to be rushed through Parliament tomorrow. Meanwhile, British banks have undertaken to ration sales of foreign exchange, and the Stock Exchange will be closed, while necessary legal measures are taken to safeguard the Bank of England's gold stock. Laborites fear that unless the financial situation improves Parliament may be adjourned and the government carried on by orders-in-council under powers the National government now is being given. The bank rate will be raised by 1½ percent to 6 percent as from tomorrow.

Equally, the Western powers have nothing, themselves,



Associate Editor
Director of Finance
Director of Circulation
Director of Administration

Norway: Under the Conservatives, A Revised NATO Image Is Likely

By R.W. Apple Jr.
New York Times Service

OSLO — On the morning after last week's elections, a bold headline in the Labor Party newspaper summed up the results: "Blue Monday."

So it was for the party that had controlled Norway's Parliament for most of the last half century. The Labor government got only 37.4 percent of the popular vote and lost 11 seats. Five rightist parties won a majority of the vote and 86 of 155 seats.

The big winner was Kaare Willoch, a 52-year-old supply-side economist. His Conservative Party took 54 seats, its share of the vote rising by almost 7 percent from four years ago. Although he failed to put together a coalition last week, he will take over at the head of a minority government in mid-October. Mr. Willoch said candidly while the returns were still coming in that it would be easier to put his program into effect if the Center and Christian People's Parties agreed to a coalition, but if they did not, the inconvenience would be partly offset by the lack of friction inevitable in any coalition.

'Greater Clarity'

For the rest of the world, the most important consequence of the election is likely to be what Mr. Willoch called "greater clarity" and less scope for misunderstanding in Norway's foreign policy and especially its military posture. Norway and Turkey are the only members of NATO that share common borders with the Soviet Union. The outgoing premier, Gro Harlem Brundtland, said her predecessor, Odvar Nordli, both suffered grievously in attempting at the same time to maintain their country's commitment to NATO and to pacify their party's nationalist left wing.

A case in point was the controversy over "prestocking" — creating arms and supply dumps to be used by U.S. troops to defend Norway against a Soviet attack. Prestocking was proposed by the Norwegians, reluctantly accepted by the Pentagon and then very nearly sabotaged by the Labor left. Eventually the program went ahead, but the arms caches were located not near the Arctic frontier, but in central Norway, to avoid giving Moscow any pretext for claiming provocation.

More recently, the Labor left has revived a proposal for a Nordic nuclear-free zone, under which the major powers would pledge not to use nuclear weapons in the region. Soviet refusal to remove nuclear arms from the Kola Peninsula has dampened enthusiasm for the proposal in the past.

Mrs. Brundtland insisted that any such zone would have to be negotiated within the context of a broad-

er European arms agreement, but she kept arguing to the effect of the campaign that it was an idea worth keeping at the top of the political agenda.

NEWS ANALYSIS

The United States, Britain and West Germany all protested privately against this kind of talk, fearing that it would complicate the forthcoming negotiations on theater nuclear weapons. Mrs. Brundtland responded with mild criticism of the U.S. decision to produce the neutron bomb, while hundreds of Norwegians joined a peace march this summer from Copenhagen to Paris, underlining the dilemma for Labor's pro-NATO elements.

Mr. Willoch, aware of the deep anti-nuclear feeling in the country, which has never allowed nuclear weapons to be positioned here, said during the campaign that if the great powers agreed to refrain from using the bomb in Norway, that would suit him fine. But he said nothing about pressing for inclusion of a nuclear-free zone in U.S.-Soviet discussions, and he gave the impression that he would be just as happy to drop the subject.

The premier-designate pledged,

moreover, to increase Norway's military spending by 4 percent annually in real terms, 1 percent above the target set by the Reagan administration. In contrast, West Germany has scaled down its commitment and Denmark, after months of haggling, agreed to increase spending by only 1 percent next year and 0.5 percent in 1983 and 1984. One basis for Mr. Willoch's confident pledge is Norway's revenues from North Sea oil, but the promise also reflected his determination to alter his country's image as a difficult member of the alliance.

Short of Majority

Although his government will be 24 seats short of a majority, it is unlikely that Mr. Willoch will have trouble getting votes for the central points in his program. In Norway's nonconfrontational political atmosphere, the two smaller parties that had been possible coalition partners will probably back him, as will the far-right Progress Party. On some issues, including foreign policy questions, he is also likely to have the support of Labor moderates.

The economy will continue to be subsidized by the booming oil and gas industry. Mr. Willoch plans no handouts to foreign oil companies, although he would like to cut back the role of Statoil, the national oil



Kaare Willoch

company. He will also have to figure out how to keep oil revenues from continuing to promote inflation. That is a problem many other European countries wish they had.

Despite the swing to the right, there is little prospect of radical change in economic policy. Mr. Willoch has no intention of dismantling the welfare state that has given Norway one of the world's highest standards of living. But he will try to make it less intrusive, control inflation and stimulate productivity.

U.S., France Take Diverging Economic Roads

But Reagan's Republicanism, French Socialism Head for the Same Goal

By Edward Cody
Washington Post Service

PARIS — An American going from Washington to Paris these days finds himself crossing not only the Atlantic, but an economic looking glass, and the passage is as unsettling as anything that happened to Alice.

Here on the French side, that which was bad for the economy in Washington a few weeks ago — government regulation and high taxes, for example — suddenly and just as surely is good for the economy, proposed as the long-term answer to unemployment and inflation.

While U.S. newspapers are full of budget cutting and tax breaks, the Socialist government is making news by planning for the highest deficit since World War II and proposing severe wealth taxes and special levies on high incomes that have French businessmen wincing as visibly as their American counterparts are grinning. (In a speech on French television Saturday night, French Finance Minister Jacques Delors said the current economic situation in France does not warrant a devaluation of the franc. Story, Page 11.)

Two Different Directions

Even to the unschooled in economics, it has thus become obvious as President Francois Mitterrand's government announced its nationalization and back-to-work programs over the last 10 days that Paris and Washington are traveling in opposite directions in forming their economic policies.

Since Mr. Mitterrand is a French Socialist and President Reagan a California Republican, this was to be expected. It is nonetheless startling to hear such strikingly opposite courses proclaimed as the best route to the same destination — a reinvigorated economy capable simultaneously of reducing unemployment and curbing inflation.

Behind the contradictory approaches are philosophies and men no less contradictory: Mr. Reagan, the actor with faith in the ability of American business to produce wealth for all the people; and Mr. Mitterrand, the intellectual who profoundly distrusts *grand capital* and believes government must control basic economic levers to ensure justice for the ordinary person.

A prominent French economist, who clearly opposes Mr. Mitterrand's ideas, says, for example, that the president and his advisers in the Elysée palace have set out to do more than raise money for the government with their wealth tax. They are, he explains, seeking to break up accumulated wealth — *grand capital* — to the belief that its redistribution will make the

economy work better and more justly.

"They don't want to just resolve the unemployment and inflation problems," says the business-oriented economist, Jacques Flassard. "They want to change society."

Prime Minister Pierre Mauroy, describing his anti-unemployment plans to parliament recently, lapsed after a long, sober economic lesson into a peroration that seemed to indicate that is precisely what he has in mind.

"The [economic] crisis will not solve itself," he declared. "It will be overcome only with a formidable industrial adaptation and social mutation. It is up to the heirs of the first proletarians thrown at the foot of steam engines to achieve the emancipation permitted by new technology."

According to government estimates, the wealth tax will hit about 200,000 of France's richest families. Unless modified by parliament, the law will exact between 0.5 percent and 1.5 percent of fortunes above 5 million francs (about \$900,000).

Former Finance Minister René Monory, a bitter opponent of Mr. Mitterrand's policies, says the tax could force some businessmen to sell holdings to raise money to pay the government. To an interview, he recalled that two provincial small businessmen, both in their 50s, recently told him they are trying to sell out to larger corporations because of this fear.

Executives who have little capital but high salaries also are being hit. To help pay a deficit in the government's unemployment insurance fund, Mr. Mauroy plans a one-time income surtax tentatively scheduled to strike couples whose salaries reach around \$20,000.

The wealth taken out of these hands, in Mr. Mauroy's portrayal, will flow into the hands of those who need it more. Within a month of coming to power on May 10, the Socialist government raised France's minimum wage by 10 percent to the \$3-an-hour mark. At the same time, it raised welfare payments to the elderly and handicapped by 20 percent, to just more than \$300 a month.

A month later, family payments went up by one-fourth and rent subsidies for poor families by the same amount, with another one-fourth increase pledged for Dec. 1.

The insertion of money in the economy — estimated at nearly \$3 billion, likely to produce a \$17 billion deficit — was followed this month by relaxation of credit rules, allowing banks to lend more easily and thus giving households lower monthly payments on new vacuum cleaners or refrigerators.

Mr. Mauroy says he is counting on his stimulation of the economy to help reduce unemployment, which has reached 1.5 million, or 7.5 percent of the work force, as well as to help poor families keep up with inflation that is running about 13 percent.

In addition, he has pledged to hire 61,000 more government employees. For the longer term, Mr. Mauroy is urging a "share the work" campaign: Part-time work in government ministries, widespread sabbatical leaves, a reduction in the work week to 39 hours, early retirement and job-training programs, including work camps for youths just out of the army.

In all, government officials predict the steps will create more than 120,000 new jobs by next year. By that time, however, the

unemployment count is expected to have topped 2 million, leaving the resulting total out of work about the same as it is now, according to Mr. Mauroy's own aides, unless the economy surges fast enough to create still more jobs.

Mr. Mauroy has promised special credit facilities for small and medium businesses to foster the economic growth and employment. But for the more distant future, the government is putting much of its faith in the nationalization of a dozen key companies and 36 major private banks, bringing 95 percent of total deposits and about 17 percent of French industrial production under government ownership.

It is perhaps the nationalizations that best illustrate the clash in fundamental views between Mr. Reagan and Mr. Mitterrand on what makes an economy good.

For Mr. Reagan, getting the government out of business is a major goal. In response to specific U.S. economic programs and as a reflection of his overall outlook on the role of government, Mr. Mitterrand, getting the government into business is a major goal — for the same reasons.

"America is returning, without embarrassment, to the original capitalism; it is taking a leap forward," wrote Louis Pauwels, a rightist author and journalist. "France is becoming Socialist; it is making a backward fall whose seriousness we will soon be measuring."

Whatever the worth of his judgment, Mr. Pauwels' words underscore the contradictory directions in which Mr. Reagan and Mr. Mitterrand are leading their countries.

Arab Hard-Liners Seek New Soviet Links

By Edward Cody

BENGHAZI, Libya — Hard-line Arab leaders, ending a summit conference here, have pledged to boost ties with the Soviet Union and to fight a new strategic cooperation agreement between Israel and the United States.

The two-day meeting — attended by leaders of Libya, Syria, Algeria, Southern Yemen and the Palestine Liberation Organization — ended Friday night. Iran's foreign minister attended as an observer.

Its final communiqué said that the leaders had decided to start talks with the Soviet Union "to produce a qualitative development in relations between it and the Arab world so as to restore balance to the region, especially after the new Israeli-American alliance."

Speaking at the close of the sum-

mit, the Libyan leader, Col. Moamer Qadhafi, said the strategic cooperation agreement has brought the world to the brink of a third world war.

Col. Qadhafi said that the U.S.-Israeli pact was "a dangerous development which seriously threatens international peace," according to the text of his speech distributed by the Libyan news agency. "Because of Israeli policy and stupid American strategy, we are now on the brink of a third world war," he said.

The conference urged Arab states to use their oil exports and deposits in U.S. banks to counter the agreement.

The communiqué, which gave few details of the summit talks, said that the Washington agreement was aimed at turning the Middle East into a U.S. base that would lead to conflict with the So-

viet Union and endanger world peace.

The Benghazi summit of what is called the Arab Steadfastness and Confrontation Front was the first joint Arab countermove against the new development in U.S.-Israeli relations.

The front was originally formed to oppose the U.S.-sponsored Egyptian-Israeli peace accords.

30 Die in India Explosion

NEW DELHI — At least 30 persons were killed Saturday when a fireworks factory exploded in the township of Sivakasi, about 240 miles (380 kilometers) southwest of Madras, the United News of India reported. At least four persons were hospitalized with severe burns, the news agency said.

Announcing a new key name in banking circles:



Swiss Bank Corporation (Canada)

Actually, we've been in Canada for 30 years already. So what's new? Today, we are Switzerland's first Canadian chartered bank. Now we provide more than just expertise in certain specialized areas. We can put the whole range of banking services at your disposal—besides all the facilities opened up by a bank account at Swiss Bank Corporation (Canada).

For over 100 years, we've been providing access to international markets. Building up a worldwide network in the process. On six continents, our 3 keys stand for a full range of international services handled with experience, know-how and the special Swiss touch.

Call us. We'll give you the key to quality banking worldwide.



Swiss Bank Corporation
Société de Banque Suisse
Schweizerischer Bankverein

THE KEY SWISS BANK.

General Management in CH-4002 Basle, Aeschenvorstadt 1, and CH-8022 Zurich, Paradeplatz 6. 190 offices throughout Switzerland. Branches in London, New York, Atlanta, Chicago, San Francisco, Hong Kong, Singapore, Tokyo and Bahrain. Subsidiaries, affiliated companies and representatives in Bogotá, Buenos Aires, Cairo, Calgary, Caracas, Edinburgh, Grand Cayman (B.W.I.), Hong Kong, Houston, Johannesburg, Lima, London, Los Angeles, Luxembourg, Madrid, Melbourne, Mexico, Monte-Carlo, Montreal, Nassau (Bahamas), New York, Panama, Paris, Rio de Janeiro, São Paulo, Singapore, Sydney, Tehran and Toronto.

ABOVE THE REST.



No other business jet is certified to the same high standards as Challenger.

Forget everything you've ever heard about business jet performance. Canadair Challenger is built with state-of-the-art technology that far surpasses the dated designs of every other aircraft in its class. So advanced is Challenger that it is the first business jet to meet the same set of stringent

standards for safety and performance as the world's latest and largest commercial aircraft.

Challenger is the only wide-body business jet flying. Its interior is incredibly spacious. Engines remarkably quiet. Wing extremely efficient. Challenger is an aircraft built to excel.

If you're ready for top-flight performance such as this and would like to know more about the revolutionary wide-body Challenger, write to Adel A. Oubari, Vice President of TAG Aeronautics Ltd., 14 Rue Charles Bonnet, 1211 Geneva 12, Switzerland. Telephone: (022) 46 17 17. Telex: 289 084.

TAG AERONAUTICS LTD



EXCLUSIVE DISTRIBUTORS FOR MIDDLE EAST AND OTHER ARAB COUNTRIES

Belize Set for Independence Today as British Rule Ends

By Colin McSeveny

REUTERS
BELIZE CITY, Belize — More than 100 years of British colonial rule over Belize will end on Monday but widespread concern about neighboring Guatemala's intentions could dampen the independence celebrations.

Guatemala, maintaining a long-standing claim to the territory, severed consular relations with Britain and Belize earlier in September and refuses to recognize the sovereignty of this new Central American nation of 150,000 people.

The century-old wrangle between Britain and Guatemala over Belize appeared to be over in March when a preliminary settlement among the three parties was signed in London.

Guatemala agreed to drop its claim in return for port and navigational rights and the use of two tiny coral islands in the Caribbean off the Belizean coast. But news of the agreement was greeted by widespread rioting in Britain's last American mainland colony because many people saw it as a sell-out to the Guatemalans.

Opposition to Settlement
 Opposition to the settlement grew when Guatemala hinted that its use of the two islands could involve military installations.

Belizean Prime Minister George C. Price promptly began to stress the provisional nature of the London agreement and said, while visiting Panama: "It is in no way a final treaty and I can see dangers in the future."

Guatemala then accused Belize and Britain of backing down from their pledges, and discussions designed to iron out the final details before independence were broken off.

Stressing that Guatemala would not accept what it called a unilateral granting of independence by London, Foreign Minister Rafael Castillo said: "When the English leave Belize we will then be able to start the process of re-negotiations."

Looking forward to the independence celebrations, a Belizean official said: "Undoubtedly the lack of an agreement with Guatemala has cast a shadow over the entire festivities."

Prince Michael of Kent

The opposition United Democratic Party opposes independence under the present circumstances and has pressed unsuccessfully for a referendum.

The UDP, the local chamber of commerce and some trade unions have said they will boycott the ceremonies, which will be presided over by Prince Michael of Kent, representing Queen Elizabeth.

While Belize appears split over

the timing and conditions for independence, there is unanimity in the hope that the 1,600 British troops stationed here will remain as long as possible.

Though Guatemala's army-backed government has moderated its threats to take over Belize by force, Belizeans view their neighbor with deep suspicion.

"The [British] troops must stay here and protect us from the Guatemalans whom nobody trusts," a Belizean said, looking westwards toward a country 50 times the size of Belize in population.

Undeterred by an overwhelming UN vote in favor of unfettered independence for Belize, the Guatemalan government has asked the UN Security Council to investigate its complaints over Britain's handling of the issue.

Guatemala has closed the border crossings and ended all commercial traffic with Belize, including the short daily flight over the jungle frontier, which is constantly patrolled by the British Army.

Governor-General Is Named

BELIZE CITY (UPI) — An educator will become Belize's first governor-general when the British colony becomes independent, the state-run radio said.

The radio said Friday that the governor-general's post — the second highest in the nation — would go to Dr. Minita Gordon who works in the Ministry of Education. Dr. Gordon never attended high school, but became a public school teacher and earned a doctorate in sociology at the University of Calgary in Canada.

Refugees Crowd W. German Ship

The Associated Press

BONN — A West German ship sent to the South China Sea to pick up Vietnamese refugees has so many "boat people" on board that the vessel may run out of drinking water, a humanitarian group said Sunday.

A spokesman for the German Committee of Emergency Doctors, which operates the rescue vessel, said that 695 refugees were on board the "Cap Anamur." He said the crew was rationing food and that supplies of fresh water were low.

The committee appealed to the West German government to agree to provide asylum to all those picked up by the ship, which could then head into a port and take on fresh provisions. The federal government, however, says it can make no such guarantees without consultation with the 10 federal states, which are responsible for immigration in West Germany.



A Belizean woman stands by an independence day poster in the central section of Belize City.

South Korean Prisoner's Account Tells Of Beatings, Death in Detention Camps

By Henry Scott Stokes

New York Times Service

TOKYO — The South Korean government keeps 15,000 people in army detention camps without trial and with no charges brought against them, according to a prisoner's account smuggled out of a camp and published here.

Prisoners, including many common criminals and a few political prisoners, were severely kicked and beaten with rifle butts on entry to the camp in August, 1980, the account said. It said that there had been five deaths out of 500 people held at one camp.

The account was published in the current issue of Sekai, a Japanese magazine, and is to be carried shortly in English in the Korea Communiqué, a publication here of the Emergency Christian Conference on Korean Affairs.

'Correctional Programs'

This is the first time that the large scale of what are known as "purification camps" or "re-education camps" in South Korea has been disclosed in a publication in Japan. It is also the first indication that there have been deaths caused by beatings in the camps, a charge that has not so far been made by South Korean human rights groups in Seoul and that has been denied by Seoul officials.

Army camps for "hooligans" were first opened in the summer last year, after military leaders headed by Gen. Chun Doo Hwan took power. Between August, 1980, and January, 1981, a total of 57,561 people were "warned or re-

educated," according to The Korea Herald, an English-language newspaper in Seoul. The paper said that 38,259 of these underwent "correctional programs in military camps."

Arrests were originally made under martial law decrees. But the newspaper account, printed in January, said that "purification" programs continued into 1981 after martial law was officially terminated. The Korea Herald said 6,506 people were to continue under detention in "reformatory training" and 6,852 "hardened hooligans" were given "hard labor."

The combined total of 13,358 prisoners is not far short of the 15,000 reported in the smuggled account to be held in army camps. These camps are in some cases close to the demilitarized zone at the border between North Korea and South Korea. The captives, almost all men, are kept at work digging fortifications, according to reports from inside the camps, and many have extensive body tattoos, an indication that they are professional criminals.

Questions have been asked in the National Assembly about the legal basis for the "purification" program. The government was also asked about treatment of prisoners in the assembly that all suspects had been investigated individually and sentenced to "protective custody" on the basis of information available.

The prisoner quoted by Sekai and the Korea Communiqué described how prisoners were called

upon to agree to further incarceration after martial law was formally ended last Jan. 24. "Two military policemen and one officer called on each inmate, demanding that we should sign the paper," said the account, from which dates and names have been removed to protect the informant.

"The paper indicated that since we were inmates who might violate the criminal law again, we should be held under two years' protective custody," it said. "The inmates, including myself, resisted the demand but we were forced to sign on the paper under the gunpoint of the military police," it continued.

"Fifteen thousand inmates were sentenced to protective custody," the account continued. "How could this happen in a nation ruled by law or in a democratic society?"

Labor Exchange Draws Thousands in Belgium

Reuters

BRUSSELS — Thousands of unemployed persons thronged a temporary labor exchange on the grounds of the Brussels Trade Fair in hopes of finding work from among the 2,000 jobs offered.

More than 10,000 people registered within an hour of the center's opening Friday and several thousand more attended Saturday, organizers said. The exchange, sponsored by the Brussels Region Ministry and the Belgian Employers Federation, was aimed at helping Belgium's 400,000 unemployed find work.

Crusading Editor Attacks Gandhi Official In Probe of Influence-Peddling in India

By Michael T. Kaufman

NEW DELHI — Since the return to power of Prime Minister Indira Gandhi in India, nothing has been as upsetting as the writings of Arun Shourie.

The 39-year-old editor, a former economist at the World Bank, is conducting an inquiry into influence-peddling and has brought one of Mrs. Gandhi's most admiring and flamboyant appointees to the brink of resignation.

Mr. Shourie, an editor of The Indian Express, the nation's largest circulation daily newspaper, has organized and written muck-raking exposés on such scandals as the blinding by policemen of 31 suspects awaiting trial, the selling of women and the detention for years of poor people awaiting trial on minor charges. He has written about powerful and politically connected landlords who evade laws that limit holdings.

All of these stories have led to outcries, with the liberal opposition generally praising Mr. Shourie's courage and the defenders of Mrs. Gandhi condemning him for tarnishing India's image.

Fund-Raising

None of the earlier articles, however, has had the impact of Mr. Shourie's current series about the money-raising activities of Abdul Rahman Antulay, a lawyer whom Mrs. Gandhi elevated to chief minister of Maharashtra state.

The journalist reported that Mr. Antulay had established at least five ostensibly charitable trusts that collected millions of dollars in contributions from people and companies doing business with the government. Citing documents that he reprinted, Mr. Shourie showed that although the politician had presented the trusts as having government sanction they were actually foundations that were fully and perpetually controlled by Mr. Antulay and his wife.

Mr. Shourie listed 102 institutional donors who had contributed more than \$6.3 million to just one of the trusts, a fund named after Mrs. Gandhi, that was ostensibly to provide stipends for writers and artists. The contributors included builders, sugar refiners, banks and contractors who depend on the state government for licenses, building permits and the supply of rationed raw materials.

In Parliament, the opposition demanded to know whether Mrs. Gandhi had knowingly lent her name to what appeared to be a slush fund. Ramaswamy Venkataraman, the Indian finance minister, responded that Mrs. Gandhi had not endorsed the project. The next day Mr. Shourie wrote an article calling the finance minister "a petty liar," and he reproduced a Maharashtra publication from

February that said Mrs. Gandhi had consented to having the fund named after her.

Meanwhile, Mr. Antulay's finance secretary wrote to Mrs. Gandhi that coercion had in fact been used to solicit contributions for the fund. Mr. Antulay himself acknowledged that he had levied a surcharge on each bag of cement allocated to contractors, but he said the money was meant for Mrs. Gandhi's Congress-I Party and for the poor.

Admissions

He said he would remove Mrs. Gandhi's name from the trust fund, and he sent his resignation to the prime minister. Mrs. Gandhi is understood to be trying to find a loyal replacement, and she is reported to have asked aides to look into the business dealings of the Express chain.

Mr. Shourie said in an interview that it was really immaterial whether or not Mr. Antulay was deposed. "The point," he said, "is that the state in India is a criminal state, and anytime you write about the state you are really writing about criminals."

Frenchman Says Peking Opposing Chinese Marriages With Foreigners

United Press International

PEKING — A French diplomat whose Chinese fiancée has been detained by police for 10 days says the government apparently has decided against allowing marriages between foreigners and Chinese.

Emmanuel Bellefroid, 33, said Saturday that French Ambassador Claude Chavet had demanded a meeting with Foreign Minister Huang Hua to discuss the case but has received no answer.

Mr. Bellefroid's fiancée, 24-year-old Li Shuang, was seized by police on Sept. 9 outside a foreigners-only compound where she had been living with the Frenchman and has been held incommunicado since then.

"There are reports that the Central Committee of the Communist Party has handed down an order

Independence Leader Shot in New Caledonia

United Press International

NOUMEA, New Caledonia — Pierre Declercq, secretary-general of the New Caledonia independence movement, has been killed by an unknown assassin, police said they fear reprisals.

French officials said Sunday morning that there had been no arrests and that no one had yet claimed responsibility for the shooting, which occurred late Saturday while Mr. Declercq was working in his Nouméa office.

He said that after his paper's exposure on the blindings all 12 policemen are back in their old jobs.

"I can't stop the blindings," he said. "I can't stop the sale of weapons. All I can do is show that no one can do anything about such things, to show that all our institutions have been poisoned."

Gandhi on A-Bomb

NEW DELHI (UPI) — Mrs. Gandhi has stated that India does not have an atomic bomb, but the country might explode another nuclear device to protect its national interest, news reports said over the weekend.

In an interview with an Australian newspaper, The Age of Melbourne, Mrs. Gandhi said "nuclear to many reports, we don't have a bomb and don't intend to." She said India might set off a nuclear explosion "if we think it is in the interests of our science or development." Excerpts of the interview were published here by the Press Trust of India.

India exploded its first nuclear device in 1974.

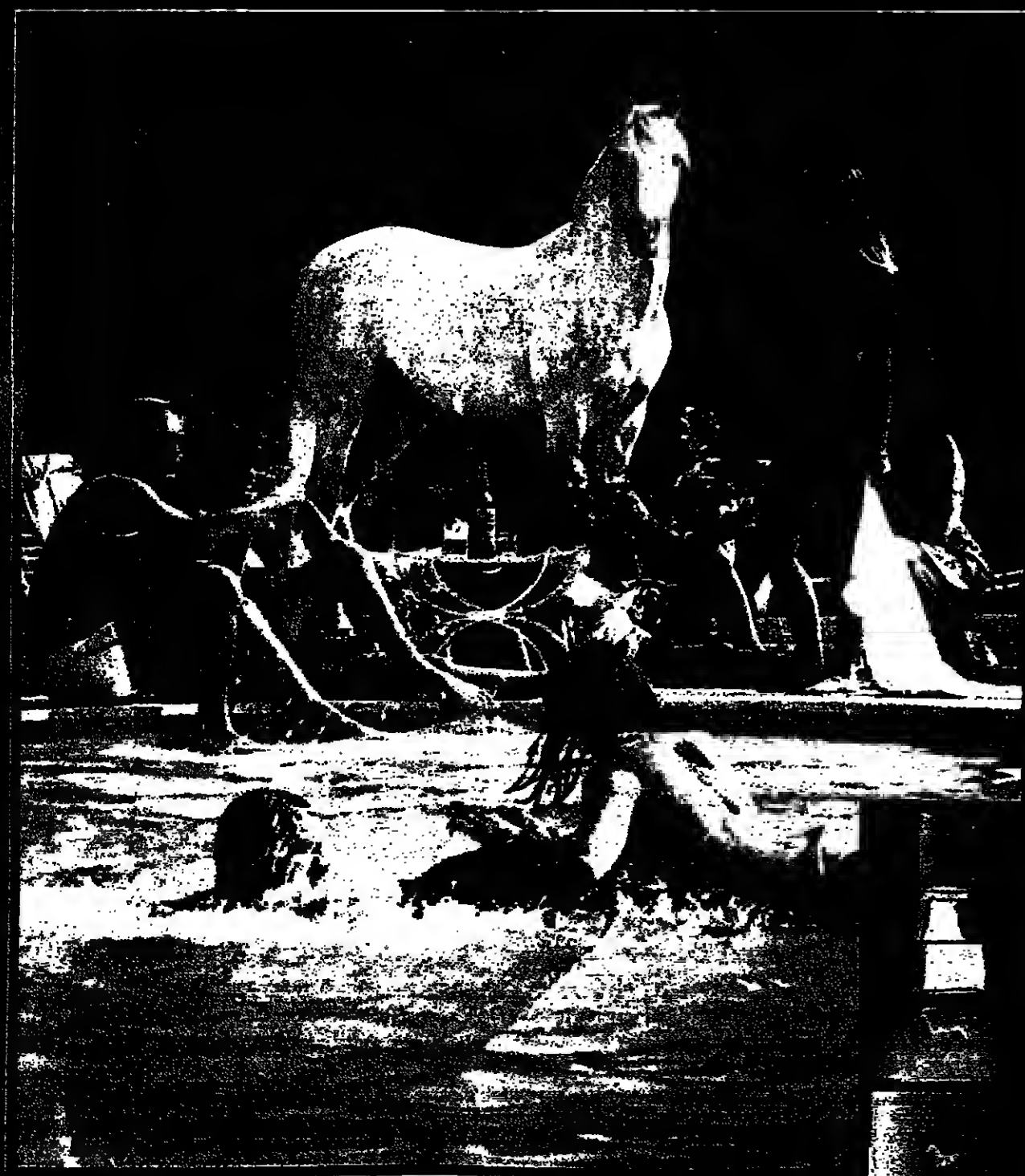
Civilian to Fill In For Brazil Leader

United Press International

RIO DE JANEIRO — Vice President Ameliano Chaves, a civilian, will temporarily assume the Brazilian presidency while Gen. Jolo Figueiredo recovers from a heart attack, the government said. The general, 63, was stricken Friday.

Leitao de Abreu, the cabinet chief, said at a news conference Saturday that Mr. Chaves will formally become Brazil's acting president on Wednesday. He becomes Brazil's first nonmilitary head of state since 1964.

Politicians expressed concern over Gen. Figueiredo's health because of the effect it might have on Brazil's liberalization program. When Gen. Figueiredo took office in March, 1979, he promised to make Brazil a democracy and has scheduled general elections for next year.



WHITE HORSE
 THE SCOTCH THAT'S ALWAYS WELCOME



We're celebrating!
 Our Hong Kong edition is one year old - and readership is soaring.

Exactly one year ago - and for the first time in history - a daily newspaper was produced simultaneously on opposite sides of the planet via satellite transmission.

Since then it has been possible for the International Herald Tribune to reach readers throughout the vast Far East area in record time. And readership has soared far beyond our expectations.

Every day, nearly 13,000 copies are sold in Asia - according to our audited circulation statement for the first half of 1981. At 2.8 readers per copy, this means that more than 35,000 readers in Asia are seeing each edition of the International Herald Tribune and that number is growing daily. In addition, advertising is offered separately for clients who wish to concentrate

exclusively on Asia, or run different advertisements in the European and Asian editions.

If you go to the Far East, ask for the International Herald Tribune wherever you travel. While Hong Kong continues to be the largest single market, Indonesia, the Philippines, Japan and Singapore are close behind, and significant audiences have also been built in Korea, Taiwan, Malaysia, Thailand and India. The Trib can also be purchased in the People's Republic of China by subscription or on a single copy basis at nine sales points.

The Herald Tribune wishes to take this birthday occasion to thank its many readers and advertisers for their support of this new venture and to assure them (in a paraphrase of A.A. Milne) that "now we are 'one' - but we've only just begun."

INTERNATIONAL
Herald Tribune
 Published with The New York Times and The Washington Post



SEASON'S END — A lone attendant moving the last of the beach chairs from water's edge to their winter quarters at the West German Baltic Sea resort of Haffkrugcharbenitz.

Libya Reported to Be Main Arms Supplier For Insurgents Fighting Somalia Regime

By Bernd Debusmann

NAIROBI — Libya has emerged as the chief supplier of weapons to guerrillas fighting the government of Somalia, according to Western diplomatic sources and a high-ranking insurgent leader.

Libyan military support for the Somalia Salvation Front, which opposes President Mohammed Siad Barre's regime, throws into sharp focus Col. Moamer Qadhafi's efforts to extend his influence in black Africa in general and the Horn in particular. Established in 1979 with the backing of Ethiopia, Somalia's enemy in the Horn, the front has waged an increasingly effective hit-and-run campaign against the Somali Army, with operations concentrated on areas along the border with the disputed Ogaden region.

Rifles, Mortars

"Until recently, the Somali Army was our biggest supplier of arms — arms we captured from them," front official Hani Magan said in a recent interview outside Kenya. "But now Libya is our major source of weapons."

Mr. Magan declined to specify

the nature and quantity of arms supplied by Libya but Western diplomatic sources said they ranged from Soviet-made AK-47 assault rifles and RPG-7 grenade launchers to light mortars.

Mr. Magan, a senior political officer attached to a fighting unit inside Somalia, said Libya had started delivering military hardware to the guerrilla front about six months ago and supplies were continuing.

In a speech in Addis Ababa last month, Col. Qadhafi said he saw it as his duty to support guerrillas fighting Mr. Siad Barre because the leaders in Mogadishu have sold their country as a base to American imperialists.

Under an access agreement negotiated with Somalia last year, the United States can use the port of Berbera in the Gulf of Aden as a base. Berbera, built by Somalia's former Soviet allies, has naval facilities and one of the longest airfield runways in Africa.

Earlier this year, the Reagan administration decided to supply Somalia with weapons, chiefly anti-aircraft equipment, worth \$50 million.

In response to the growing U.S.

military presence in the Indian Ocean and the Gulf, Libya, Southern Yemen and Ethiopia signed a pact last month establishing a joint defense council to coordinate military cooperation.

A few days after the pact was signed, Somalia ordered the Libyan Embassy in Mogadishu closed within 48 hours, saying Col. Qadhafi's government endangered the unity and independence of Somalia.

Ethiopia and Southern Yemen are linked to the Soviet Union by treaties of friendship and cooperation. Libya is an important hard-currency customer for Soviet arms, some of which are channeled to guerrilla organizations such as the Somalia Salvation Front.

Diplomatic sources said weapons for the front were shipped from Libya to Ethiopia and from there taken to bases along the border with the Ogaden, which was the scene of a full-scale war between Ethiopia and Somalia in 1977 and 1978.

Ethiopia won the war after the Soviet Union, switching sides, established a vast airlift of weapons to Addis Ababa and Cuban troops fought alongside the Ethiopian Army.

Bomb Explosion in Beirut Theater Kills 4, Injures 30 in 4th Attack Since Thursday

The Associated Press

BEIRUT — A bomb planted beneath a theater seat exploded during a crowded matinee Sunday, killing at least four persons and injuring about 30 in the fourth bomb attack in Lebanon since Thursday, officials said.

A rightist group calling itself the Front for the Liberation of Lebanon from Aliens claimed responsibility for the attack, as it did following the three deadly explosions last week.

The most recent explosion shook the Salwa Cinema in the mainly Moslem section of west Beirut, a few hundred yards from the so-called Green Line that separates the Moslem side of the capital from the eastern Christian sector.

Sources in the hospital where the wounded were taken said the injured suffered shrapnel wounds and burns. The police said the carpeted hallway of the theater caught fire but was quickly extinguished.

Sources at the theater said most of the audience watching the double feature were Syrian soldiers.

Syria maintains a 22,000-man force in Lebanon as part of the Arab Deterrent Force to police the armistice following the civil war between Lebanese Christian rightists and a coalition of leftist Moslems and Palestinian guerrillas.

Last Thursday, a booby-trapped car exploded in the southern Lebanese coastal city of Sidon, 23 miles (37 kilometers) south of Beirut.

Canada, Russia Agree On Larger Grain Sale

Reuters

OTTAWA — The Soviet Union has agreed to buy an extra 2 million metric tons of Canadian grain, bringing the total to be shipped by next July to 6 million tons, according to the head of the Canadian Wheat Board. The purchases come under an agreement signed in May under which Moscow will buy 25 million tons of Canadian grain over the next five years.

Sen. Hazen Argue, the government minister in charge of the wheat board, said Friday in Regina, Saskatchewan, that the new imports of wheat and barley were agreed to Thursday in Winnipeg during a visit by top Soviet grain officials.

Landing Incident at JFK

United Press International

NEW YORK — A 747 Pan American jet airliner with 206 passengers aboard lost a piece of a wing flap on landing at John F. Kennedy International Airport late Friday, authorities said.

Magic Disney Growth Brings Headache to Florida County

By Gregory Jaynes

New York Times Service

ORLANDO, Fla. — A little statistical magic, please: The new, \$300-million airport opened Saturday. Walt Disney's \$800-million Environmental Prototype Community of Tomorrow opens a year from next month, on the 10th anniversary of Walt Disney World, which is next door and which draws 15 million visitors a year and is expected to draw 22 million when "Epcot" is completed.

MCA Studios just announced it is going to open a \$200-million duplicate of its Los Angeles attraction, Universal Studios, on 300 acres south of town. A \$500-million amusement park called Little England will open next year. Sea World has a \$100-million expansion going on. Sixty percent of all the capital investment in the state of Florida went into the Orlando area last year.

And James Harris, the administrator of Orange County, where all the activity is taking place, has a headache.

"Most communities would give their eyeteeth for this," he said. "We're talking about family entertainment. My goodness, nobody is cleaner than Disney, unless it's Shanghai who's out there on the highway. One of our major questions today is, does growth pay its own way? Does it? I don't think anyone here can answer the question right now."

The county that Mr. Harris administers consists of 1,002 square miles (2,605 square kilometers) in central Florida. Until Walt Disney bought 43 of them in 1965, they were pretty much evenly divided between citrus and cattle.

Before and After

Since then, county history has been measured B.D. and A.D. — before and after Disney. Before Disney World opened in 1971, there were 6,000 hotel rooms in the county. Now there are 32,000, some are booked as far as two years in advance, and the county needs 20,000 more.

Before, the airport had a million passengers a year. The new airport

Romanian Leader Fires 3 Officials

The Associated Press

BUCHAREST — Faced with continuing economic shortcomings, President Nicolae Ceausescu has fired two leading officials and the director of the state-run radio and television company.

The Romanian news agency reported Saturday that Ionel Banc, a member of the Communist Party's executive committee, was removed as chairman of the central council of Workers' Control on Economic and Social Activity, and that Angelo Miclescu, a deputy premier, was fired as minister of agriculture. Alexandru Ionescu was removed as director-general of the state broadcast company.

The news agency said Mr. Banc will be replaced by Marin Enache, Mr. Miclescu by Ion M. Tesu, formerly a state secretary in the Agriculture Ministry, and Mr. Ionescu by the Radulescu, a party secretary in charge of ideology. No reason was given for the firings, but Mr. Ceausescu last week urged officials to work with farmers in the fields, and the state-run news media was criticized last summer for the apparent failure to discourage young Romanians from defecting to the West.

After 2 Years, Iran's Caviar Re-Emerges In West to Take On the Russian Variety

By Susan Heller Anderson

New York Times Service

PARIS — Since 1979, what is arguably the world's finest caviar has been generally unavailable in the Western world. But a former French chef, in something of a gastronomic coup, has concluded a contract with the Iranian government that could put a fresh supply of the delicacy back on gourmet grocery shelves in the next month.

Under terms of the contract, 65 tons of the world's most expensive eggs have arrived in Basel, Switzerland, to be sold to consumers at prices ranging from \$210 to \$320 a pound (\$462 to \$704 a kilogram) in Paris. The prices are comparable to those for the best Russian caviar. Before the U.S. boycott of Iranian caviar in 1979, it sold at \$150 to \$260 a pound in New York.

Caviar War Is Expected

The contract was won by Jean-Pierre Delaby, 39, who was chosen over 20 competitors by the Iranian government as the exclusive distributor of Iranian caviar in negotiations that lasted three months. Mr. Delaby agreed to purchase 65 tons each year for three years, at a cost of \$1 million a year.

With the reappearance of Iranian caviar in the Western market, something of a caviar war is shaping up, with the Iranian product again competing with the Russian one, although the relative production edge is by far in favor of the Russian variety. Iran produces 180 tons a year, the Soviet Union produces 10 times that.

The caviar, packed in four-pound cans, arrived in Switzerland earlier this month from Bandar Anzali in Soviet-made refrigerated trucks. Once the shipment is out of

customs, the caviar will be transferred from four-pound cans into smaller quantities. The weight is based on the Soviet pound, which is 400 grams, or 14 ounces.

Mr. Delaby, who said he was backed by a private financier, said that the purchase had been conducted in dollars through Swiss banks. The contract was signed last June between Mr. Delaby's corporation, Eurocaviar Imports, and Sherkat Sahami Shilat Iran, the Iranian fisheries concern. Mr. Delaby said he went to Iran in August to select his caviar from the spring catch.

He said that, in most countries, he would use distributors, who in turn would sell to stores, airlines, restaurants and duty-free shops. He also predicted that caviar from Iran would soon be seen in the United States, despite the lack of trade relations between the countries.

Mr. Delaby had the contract to distribute Iranian caviar in the Benelux countries, under the old system, in use since 1953, whereby a Paris dealer was designated by the Shah of Iran as the exclusive European importer.

3 Types of Sturgeons

In Iran, as in the Soviet Union, caviar comes from three types of sturgeon: the Beluga, which attains an age of 25 years and a weight of up to one ton, is the rarest and its eggs thus the most expensive; the Oscietra, weighing from 110 to 180 pounds, is the next rarest and also yields the butter-yellow "white" caviar once reserved for the Shah; and the Sevuga, from 15 to 26 pounds. Under terms of his contract, Mr. Delaby is obliged to purchase 9 percent Beluga, 33 percent

was designed to accommodate 12 million, and expects to. The labor force numbered 182,000 then; now it numbers 337,000. Before, Orange County had no sewage problems, no housing problems and no traffic problems, and now it is wracked by all three.

"For the past 10 years," said Sid Prince, a businessman and president of the Orlando Kiwanis Club, "I've seen unmanageable growth, no planning, and frustration. The impact Disney has had in this area is murder because of traffic. It's just been boom, boom, boom. And when Disney opens up Epcot, the influx will be unreal. Frankly, it worries me to death."

Mr. Prince charged that the county administration was shortsighted. Mr. Harris admitted it: "If you go back before Disney, you can't fault us. There was no way to anticipate the growth. But since that time, it has been even more fantastic than anyone could have imagined."

The county produces more sewage than it can treat. Federal and state authorities are demanding more treatment facilities or no more growth. The county has agreed to stop dumping 20 million gallons a day into a neighboring county's stream by 1983 and has built a \$100-million treatment plant that was at full capacity on opening day.

Senate Approves Crop Supports in Rebuff to Reagan

New York Times Service

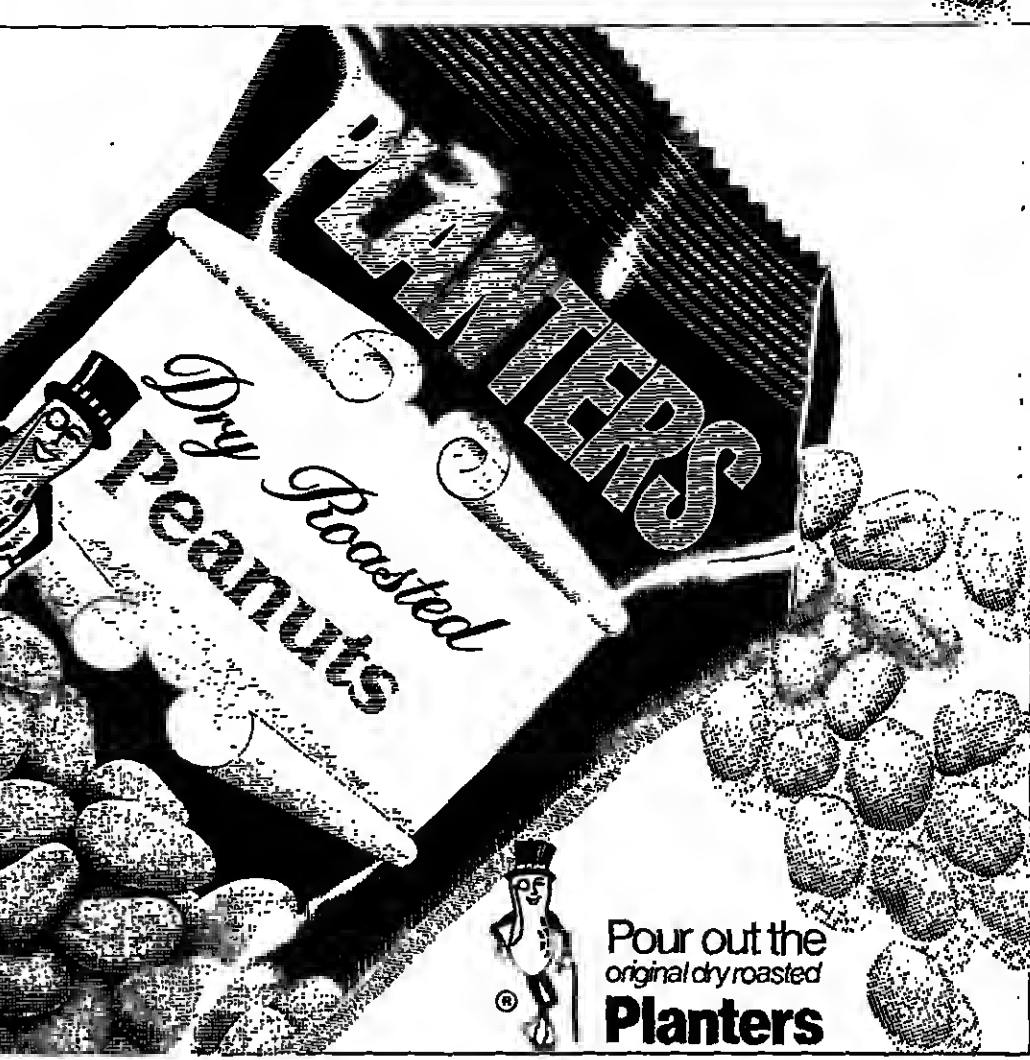
WASHINGTON — The Senate, rejecting the Reagan administration's call for the return to a free market farm economy, approved a new farm bill with price support and subsidy sections that would cost at least \$10.5 billion in the next four fiscal years. The vote was 49 to 32.

After five days of debate, the Senate voted Friday for legislation that would continue the general outline of current farm law with increased price support loan rates and subsidies for the basic commodities.

The Senate measure would exceed the cost of the administration's original farm package by about \$1.5 billion during the next four fiscal years. The difference could be much wider if farmers produce more large grain crops next summer and if exports do not accelerate this winter. Such a situation would lead to large crop surpluses, increasing the amount of subsidies required to maintain prices.

The senators did, however, head a plea from Sen. Bob Dole, the Kansas Republican who is chairman of the Finance Committee, to lower feed grain and rice supports from the levels favored by the Senate Agriculture Committee.

Try something original with your Old Fashioned.



Pour out the original dry roasted Planters

The crown of all games: Süddeutsche Klassenlotterie!

Europe's biggest class lottery with keen participants all over the world, many of whom have already won big prizes. You too can benefit from the unique chances offered: 241,588 guaranteed prizes for 500,000 ticket numbers. So each ticket number has almost a 50% chance of winning one of the following super prizes

2 x DM	1 1/2 million	24 x DM	100000
4 x DM	1 million	12 x DM	80000
12 x DM	1/2 million	20 x DM	60000
8 x DM	1/4 million	24 x DM	50000
		28 x DM	40000
		30 x DM	25000
		364 x DM	10000
		566 x DM	5000

240500 x DM 2500 and further small prizes.

A total of 241588 chances and DM 188120000's worth of prizes.

When you buy a ticket, you can enjoy for half a year the hope of winning one or more of these fantastic prizes because each lottery round lasts six months and consists of six classes. Each lottery class gives you four chances in four weekly draws. Every week-end the "week's big prize" and thousands of other prizes are drawn.

Price of the tickets for the whole round of six months: 1/1 = DM 720.-; 1/2 = DM 360.-; 1/4 = DM 180.-; 1/8 = DM 90.-. The bigger the ticket share, the bigger the prize. A whole ticket wins the whole prize. The prizes increase from class to class, the sixth and last class being the main draw.

This is all you have to do to start playing:

- Order your ticket with the form below or simply write to us. From overseas the best way is by air-mail.
- On receipt of your order, you will receive your original tickets (the official drawing certificate and all the information you need).
- You can either enclose an international cheque with your order, or pay on receipt of the tickets by bank or national post, or by means of an international money order or by international cheque.
- Because international payments take a long time, it is recommended to pay for all the tickets plus extra costs before the beginning of the first class.
- However, you may also pay in two equal instalments before the start of the first and fourth classes.
- We shall send you your tickets before each class, together with the official winning lists of the previous draws. Also all prize winners are notified individually.
- The prizes are paid tax-free and without any deductions, however and wherever you reside.
- The State lottery agencies are bound over to strict secrecy so that neither authorities nor other persons will be informed of your participation or of prizes won by you.
- The Süddeutsche Klassenlotterie is a State lottery, which takes place under strict and close supervision by the public authorities. Therefore you can fully rely on good service throughout the game.

And now: join in the game, join in the winning! Order your tickets now and maybe you will soon receive notification of a big win — ten thousand or perhaps even hundreds of thousands of German marks — one of the hardest currencies in the world — or, who knows, a one million mark jackpot!

State Lottery Agency Köppen, Wilhelmstrasse 12/1, D-6200 Wiesbaden (West Germany)
Tel. 0 61 21 30 12 53. National Giro account Frankfurt/M 28-601 182/500 100 601. Bank. Landesbank Wiesbaden, account no. 51007372 (BLZ 510 000 001)
Hong Kong. Commerzbank AG, Hong Kong, Post Box 11378, account no. 147/52 49 13.
Tickets can be ordered to all countries where the lottery is permitted.

STATE LOTTERY AGENCY, WILHELMSTRASSE 12/1, D-6200 WIESBADEN (WEST GERMANY)
TICKET ORDER FORM

Please send me for the next round of the Süddeutsche Klassenlotterie:
whole (1/1) tickets at DM 720.- each
half (1/2) tickets at DM 360.- each
quarter (1/4) tickets at DM 180.- each
Winning lists, postage and handling for overseas DM 24.-, for Europe DM 15.-.

I enclose an international cheque with the total price mentioned above for the whole lottery
I intend to pay on receipt of the first tickets for all 6 classes (total amount)
I should like to receive your correspondence in German ☐ English ☐
Please forward the tickets and draw and prize lists to Mr. ☐ Mrs. ☐ Miss ☐ Messrs. ☐ (Block capitals please)

Full name:
street and house-number:
postal code/town/country:

only if lottery is permitted

P.O. Box:

If you pay in a currency other than German Marks this will be converted to DM at the current rate of exchange after deduction of bank charges. Therefore you should add possible bank charges to the total amount mentioned above. If the amount remitted is slightly higher than the total amount to be paid your account will be credited with the surplus. If it is less than the total to be paid an additional gift will have to be sent.

SHIMANO Watch Auto Japanese Technology Economical Price
Exclusive Agency available for certain countries.
SHIMANO WATCH CO.
KYO-KU NO 97231
HONG KONG
TEL 3-6720 3-67871
TELEX 37177 SHINO HK
Contact us at Paris Sheraton.
Tel 1-250-3611 on 21-23 Sept

WORLDWIDE ENTERTAINMENT

PARIS

BENT THEATRE DE PARIS 280.09.30

Radio France presents
RITA BOUBOULDI
in piano works of Beethoven, Chopin, Debussy, Stravinsky.
Auditorium 106
116, Quai Kennedy.
Wed., Sept. 23, 6.30 p.m.

Provided by White Weld Securities, London; a Division of Financiere Credit Suisse - First Boston

[illegible]

Ann	Security	%	Met	Wedge	Ann	Life	Corr
				Price			
1250	AUSTRIA	8	35	Apr	84.34	1872	8.44
1251	Australia	0	1/12	Nov	89	18	24.27
1252	Australia	0	1/12	Nov	89	18	24.27
1253	Australia	0	1/12	Nov	89	18	24.27
1254	Australia	0	1/12	Nov	89	18	24.27
1255	Australia	0	1/12	Nov	89	18	24.27
1256	Australia	0	1/12	Nov	89	18	24.27
1257	Australia	0	1/12	Nov	89	18	24.27
1258	Australia	0	1/12	Nov	89	18	24.27
1259	Australia	0	1/12	Nov	89	18	24.27
1260	Australia	0	1/12	Nov	89	18	24.27
1261	Australia	0	1/12	Nov	89	18	24.27
1262	Australia	0	1/12	Nov	89	18	24.27
1263	Australia	0	1/12	Nov	89	18	24.27
1264	Australia	0	1/12	Nov	89	18	24.27
1265	Australia	0	1/12	Nov	89	18	24.27
1266	Australia	0	1/12	Nov	89	18	24.27
1267	Australia	0	1/12	Nov	89	18	24.27
1268	Australia	0	1/12	Nov	89	18	24.27
1269	Australia	0	1/12	Nov	89	18	24.27
1270	Australia	0	1/12	Nov	89	18	24.27
1271	Australia	0	1/12	Nov	89	18	24.27
1272	Australia	0	1/12	Nov	89	18	24.27
1273	Australia	0	1/12	Nov	89	18	24.27
1274	Australia	0	1/12	Nov	89	18	24.27
1275	Australia	0	1/12	Nov	89	18	24.27
1276	Australia	0	1/12	Nov	89	18	24.27
1277	Australia	0	1/12	Nov	89	18	24.27
1278	Australia	0	1/12	Nov	89	18	24.27
1279	Australia	0	1/12	Nov	89	18	24.27
1280	Australia	0	1/12	Nov	89	18	24.27
1281	Australia	0	1/12	Nov	89	18	24.27
1282	Australia	0	1/12	Nov	89	18	24.27
1283	Australia	0	1/12	Nov	89	18	24.27
1284	Australia	0	1/12	Nov	89	18	24.27
1285	Australia	0	1/12	Nov	89	18	24.27
1286	Australia	0	1/12	Nov	89	18	24.27
1287	Australia	0	1/12	Nov	89	18	24.27
1288	Australia	0	1/12	Nov	89	18	24.27
1289	Australia	0	1/12	Nov	89	18	24.27
1290	Australia	0	1/12	Nov	89	18	24.27
1291	Australia	0	1/12	Nov	89	18	24.27
1292	Australia	0	1/12	Nov	89	18	24.27
1293	Australia	0	1/12	Nov	89	18	24.27
1294	Australia	0	1/12	Nov	89	18	24.27
1295	Australia	0	1/12	Nov	89	18	24.27
1296	Australia	0	1/12	Nov	89	18	24.27
1297	Australia	0	1/12	Nov	89	18	24.27
1298	Australia	0	1/12	Nov	89	18	24.27
1299	Australia	0	1/12	Nov	89	18	24.27
1300	Australia	0	1/12	Nov	89	18	24.27
1301	Australia	0	1/12	Nov	89	18	24.27
1302	Australia	0	1/12	Nov	89	18	24.27
1303	Australia	0	1/12	Nov	89	18	24.27
1304	Australia	0	1/12	Nov	89	18	24.27
1305	Australia	0	1/12	Nov	89	18	24.27
1306	Australia	0	1/12	Nov	89	18	24.27
1307	Australia	0	1/12	Nov	89	18	24.27
1308	Australia	0	1/12	Nov	89	18	24.27
1309	Australia	0	1/12	Nov	89	18	24.27
1310	Australia	0	1/12	Nov	89	18	24.27
1311	Australia						

[illegible][illegible][illegible][illegible]

001	002	003	004	005	006	007	008	009	010	011	012	013	014	015	016	017	018	019	020	021	022	023	024	025	026	027	028	029	030	031	032	033	034	035	036	037	038	039	040	041	042	043	044	045	046	047	048	049	050	051	052	053	054	055	056	057	058	059	060	061	062	063	064	065	066	067	068	069	070	071	072	073	074	075	076	077	078	079	080	081	082	083	084	085	086	087	088	089	090	091	092	093	094	095	096	097	098	099	100	101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120	121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205	206	207	208	209	210	211	212	213	214	215	216	217	218	219	220	221	222	223	224	225	226	227	228	229	230	231	232	233	234	235	236	237	238	239	240	241	242	243	244	245	246	247	248	249	250	251	252	253	254	255	256	257	258	259	260	261	262	263	264	265	266	267	268	269	270	271	272	273	274	275	276	277	278	279	280	281	282	283	284	285	286	287	288	289	290	291	292	293	294	295	296	297	298	299	300	301	302	303	304	305	306	307	308	309	310	311	312	313	314	315	316	317	318	319	320	321	322	323	324	325	326	327	328	329	330	331	332	333	334	335	336	337	338	339	340	341	342	343	344	345	346	347	348	349	350	351	352	353	354	355	356	357	358	359	360	361	362	363	364	365	366	367	368	369	370	371	372	373	374	375	376	377	378	379	380	381	382	383	384	385	386	387	388	389	390	391	392	393	394	395	396	397	398	399	400	401	402	403	404	405	406	407	408	409	410	411	412	413	414	415	416	417	418	419	420	421	422	423	424	425	426	427	428	429	430	431	432	433	434	435	436	437	438	439	440	441	442	443	444	445	446	447	448	449	450	451	452	453	454	455	456	457	458	459	460	461	462	463	464	465	466	467	468	469	470	471	472	473	474	475	476	477	478	479	480	481	482	483	484	485	486	487	488	489	490	491	492	493	494	495	496	497	498	499	500	501	502	503	504	505	506	507	508	509	510	511	512	513	514	515	516	517	518	519	520	521	522	523	524	525	526	527	528	529	530	531	532	533	534	535	536	537	538	539	540	541	542	543	544	545	546	547	548	549	550	551	552	553	554	555	556	557	558	559	560	561	562	563	564	565	566	567	568	569	570	571	572	573	574	575	576	577	578	579	580	581	582	583	584	585	586	587	588	589	590	591	592	593	594	595	596	597	598	599	600	601	602	603	604	605	606	607	608	609	610	611	612	613	614	615	616	617	618	619	620	621	622	623	624	625	626	627	628	629	630	631	632	633	634	635	636	637	638	639	640	641	642	643	644	645	646	647	648	649	650	651	652	653	654	655	656	657	658	659	660	661	662	663	664	665	666	667	668	669	670	671	672	673	674	675	676	677	678	679	680	681	682	683	684	685	686	687	688	689	690	691	692	693	694	695	696	697	698	699	700	701	702	703	704	705	706	707	708	709	710	711	712	713	714	715	716	717	718	719	720	721	722	723	724	725	726	727	728	729	730	731	732	733	734	735	736	737	738	739	740	741	742	743	744	745	746	747	748	749	750	751	752	753	754	755	756	757	758	759	760	761	762	763	764	765	766	767	768	769	770	771	772	773	774	775	776	777	778	779	780	781	782	783	784	785	786	787	788	789	790	791	792	793	794	795	796	797	798	799	800	801	802	803	804	805	806	807	808	809	810	811	812	813	814	815	816	817	818	819	820	821	822	823	824	825	826	827	828	829	830	831	832	833	834	835	836	837	838	839	840	841	842	843	844	845	846	847	848	849	850	851	852	853	854	855	856	857	858	859	860	861	862	863	864	865	866	867	868	869	870	871	872	873	874	875	876	877	878	879	880	881	882	883	884	885	886	887	888	889	890	891	892	893	894	895	896	897	898	899	900	901	902	903	904	905	906	907	908	909	910	911	912	913	914	915	916	917	918	919	920	921	922	923	924	925	926	927	928	929	930	931	932	933	934	935	936	937	938	939	940	941	942	943	944	945	946	947	948	949	950	951	952	953	954	955	956	957	958	959	960	961	962	963	964	965	966	967	968	969	970	971	972	973	974	975	976	977	978	979	980	981	982	983	984	985	986	987	988	989	990	991	992	993	994	995	996	997	998	999	1000
001	002	003	004	005	006	007	008	009	010	011	012	013	014	015	016	017	018	019	020	021	022	023	024	025	026	027	028	029	030	031	032	033	034	035	036	037	038	039	040	041	042	043	044	045	046	047	048	049	050	051	052	053	054	055	056	057	058	059	060	061	062	063	064	065	066	067	068	069	070	071	072	073	074	075	076	077	078	079	080	081	082	083	084	085	086	087	088	089	090	091	092	093	094	095	096	097	098	099	100	101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120	121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205	206	207	208	209	210	211	212	213	214	215	216	217	218	219	220	221	222	223	224	225	226	227	228	229	230	231	232	233	234	235	236	237	238	239	240	241	242	243	244	245	246	247	248	249	250	251	252	253	254	255	256	257	258	259	260	261	262	263	264	265	266	267	268	269	270	271	272	273	274	275	276	277	278	279	280	281	282	283	284	285	286	287	288	289	290	291	292	293	294	295	296	297	298	299	300	301	302	303	304	305	306	307	308	309	310	311	312	313	314	315	316	317	318	319	320	321	322	323	324	325	326	327	328	329	330	331	332	333	334	335	336	337	338	339	340	341	342	343	344	345	346	347	348	349	350	351	352	353	354	355	356	357	358	359	360	361	362	363	364	365	366	367	368	369	370	371	372	373	374	375	376	377	378	379	380	381	382	383	384	385	386	387	388	389	390	391	392	393	394	395	396	397	398	399	400	401	402	403	404	405	406	407	408	409	410	411	412	413	414	415	416	417	418	419	420	421	422	423	424	425	426	427	428	429	430	431	432	433	434	435	436	437	438	439	440	441	442	443	444	445	446	447	448	449	450	451	452	453	454	455	456	457	458	459	460	461	462	463	464	465	466	467	468	469	470	471	472	473	474	475	476	477	478	479	480	481	482	483	484	485	486	487	488	489	490	491	492	493	494	495	496	497	498	499	500	501	502	503	504	505	506	507	508	509	510	511	512	513	514	515	516	517	518	519	520	521	522	523	524	525	526	527	528	529	530	531	532	533	534	535	536	537	538	539	540	541	542	543	54																																																																																																																																																																																																																																																																																																																																																																																																																																																																								

(Continued on Page 10)

WestLB

Eurobonds · DM Bonds · Schuldscheine
for dealing prices call

DÜSSELDORF
Westdeutsche Landesbank, Head Office, P.O. Box 1128, 4000 Düsseldorf 1
Telephone 8 26 31 22 · Telex 8 581 881 · International Bond Trading Dept.
Telephone 8 26 37 41 · Telex 8 581 982 · Intern. Institutional Investors Dept.

London
Westdeutsche Landesbank, 41, Moorgate, London EC2R 6AE/UK
Telephone 638 6141 · Telex 887 984

Luxembourg
WestLB International S.A., 32-34, boulevard Grande-Duchesse Charlotte,
Luxembourg, Telephone 44 74 11 · Telex 28 31

Hong Kong
WestLB Asia Limited, 1301 Hutchison House, 10 Harcourt Road, Hong Kong
Telephone 25 92 06 · Telex 76 42

Leading Marketmakers in Eurobonds

WestLB

Westdeutsche Landesbank

Sound of Money's Cost Dropping Is Music to Ears of Bond Dealers

By Carl Gewirtz
International Herald Tribune

PARIS — A decline in short-term U.S. interest rates and mounting signs that the U.S. economy is headed for a recession have been music for Wall Street (the Dow Jones industrial average fell 36.62 points last week to 836.19, its lowest reading since May, 1980) and for the foreign exchange market (the dollar was down a whopping 46 percent against the Deutsche mark over the past five business days for a drop of 12 percent from its mid-August peak).

But the bad news for those markets was music for the Eurodollar bond market.

While Federal Reserve Board chairman Paul A. Volcker warned last week that the decline in money market rates should not be taken as a sign that it is easing its tough anti-inflation policy, bond market operators decided to be guided by their eyes rather than their ears. And their eyes told them that the cost of money is dropping.

In addition, the signs of economic weakening added credence to the view that interest rates are more likely to decline than rise.

And so, yet again, Eurobond dealers were singing their favorite

song: Peak Fever. The theme of this time, sung with some (costly) frequency over the past 18 months, is that the record high coupons currently available will soon disappear into the record books and investors should lock into high yields while they are still available.

EUROBONDS

Let it be noted that this is not a song universally sung. Wall Street's leading pessimist, Salomon Brothers economist Henry Kaufman, warned Friday that the "liberal" course of monetary policy... is not likely to endure for long.

Such warnings aside, the volume of new issues increased.

Canadian Imperial Bank of Commerce is offering \$100 million of 10-year bonds bearing a coupon of 16 1/2 percent. The issue is callable starting in 1983 at a premium of 10 1/2%.

Gulf States Utilities, an investor-owned Texas utility, is offering \$50 million of seven-year bonds bearing a coupon of 17 1/2 percent. The issue price will be set "in light of market conditions" on Tuesday.

Tenneco International, guaranteed by Tenneco Inc., sold \$100

million of eight-year bonds bearing a coupon of 17 percent at a discount of 99%. The issue is callable after five years at a premium of 101.

The city of Winnipeg marketed \$50 million of noncallable five-year notes at par bearing a coupon of 17 percent.

New Brunswick Electric Power Commission is seeking \$60 million. Its seven-year notes are issued, bearing a coupon of 17 percent, at a discount of 99% for a yield to maturity of 17 1/2 percent.

In the floating rate market: Dome Petroleum is offering \$75 million of seven-year notes. The coupon will be set at a quarter-point over the London six-month interbank rate. Dome is not guaranteeing any minimum coupon.

Credit Lyonnais is expected shortly to tap the market for \$50 million through seven-year notes bearing a coupon set at 1/4 point over the London interbank rate and guaranteed to never fall below 5 1/4 percent.

With the decline in equity prices worldwide, demand for bonds convertible into common stock remains thin.

Two Swedish borrowers are in the market.

Agis is seeking \$30 million, bearing a coupon of 9 1/2 percent. The company is offering a "put" — a promise to repurchase the bonds at a premium price of 130 (\$1,300 for each nominally valued \$1,000 bond) after five years. If this option is exercised, investors would have earned an effective 14.35 percent. After taxes, the return can convert the bonds into stock at a price 2 to 5 percent above the prevailing quote when final terms are set.

The put option has had a negative impact on the \$40-million issue for L.M. Ericsson. The amount was cut from the intended \$45 million following last week's 10 percent devaluation of the krona. Ericsson, offering a coupon of 9 1/2 percent and a conversion premium of 8 to 10 percent, was rumored to be restructuring its offering to provide a put, but lead manager S.G. Warburg reported Friday that no revision in terms is planned.

Three Japanese convertibles are on offer: none of them well-received. The expectation now is that Japan's Ministry of Finance, having already called on lead managers to slow the pace of new issues, will soon order a complete halt to allow time for the paper flooding the market to be absorbed.

Now on offer are \$30 million for Fuji Electric, \$40 million for Fujiwara Pharmaceutical, and \$20 million for Sumitomo Realty & Development. All are 15-year issues bearing coupons of 5 1/2 percent. Fuji initially had expected to pay only 5 percent and Sumitomo originally scheduled an offering of \$25 million.

Despite the widespread bad-mouthing of paper denominated in Canadian dollars, GMAC's offering of six-year notes was sufficiently well received to allow lead manager Morgan Stanley to increase the issue to \$60 million from the indicated \$50 million. Bankers report substantial demand from the Benelux countries and Switzerland due to the record high coupon of 18 percent.

As a result, the Federal Business Development Bank, a Canadian government-owned institution, is tapping the market for \$0 million Canadian dollars (\$41.5 million), offering a coupon of 17 1/2 percent on five-year noncallable notes. The terms sounded right to many dealers, especially as the GMAC paid a senior officer at one of the banks already owned by the state.

"But we are lending less. In some cases, our lending limits are filled. Overall, there are fewer good borrowers coming to market and the terms are not sufficiently profitable."

An official at another state-owned bank concurred, adding that his bank's reduced participa-



Otto Lamsdorff
... to Moscow for talks

W. Germany, Russia Seek Energy Plan

By John Tagliabue
New York Times Service

BONN — Top West German and Soviet officials are expected to outline a far-reaching plan at meetings in Moscow this week for Bonn to deliver sophisticated coal processing plants to the Soviet Union in return for energy supplies, a West German government official said.

The disclosure Friday came as negotiations were drawing to a close on a multibillion-dollar gas pipeline project between the Soviet Union and a Western European industrial and banking group led by West German companies and credit institutions.

The project is expected to cause serious concern in the Reagan administration, which is seeking a moderation of technology exports to Eastern Europe and has strongly cautioned against excessive Western European energy dependency on the Soviet Union.

The Reagan administration has offered Bonn extensive energy cooperation as an alternative to Soviet energy, but the news of the proposed project indicates Bonn intends to pursue energy cooperation with the Soviet Union.

The West German minister of economics, Count Otto Lamsdorff, and Soviet Deputy Premier Leonid A. Kostandov are expected to outline the plan at a five-day meeting on energy cooperation projects beginning Thursday. The meeting, in Moscow, will include the formation of a Soviet-German energy commission.

According to the official, who will accompany Mr. Lamsdorff, the proposal involves construction of a complex of facilities near extensive coal fields in the vicinity of Kansk and Achinsk, in south-central Siberia, that would include plants to break down coal into simple gases. The gases would be used as feedstock for a hydrogenation plant to produce liquid energy sources, such as methanol.

The official said the project would likely entail a partial barter deal, meaning that Moscow would pay at least part of the construction costs with deliveries of synthetic gas or other energy or chemical products to West Germany.

Starting in the mid-1980s, the official said, the Soviet Union will earn \$2 billion to \$3 billion annually on deliveries of natural gas to Western Europe through the envisioned pipeline, which is to carry 40 billion cubic meters of gas a year. The projected \$10 billion pipeline would span 3,500 miles and would increase the Soviet share of natural gas supplied to seven Western European nations to roughly 20 percent from the current 15 percent. For West Germany, the rise would be from 17 to about 30 percent.

A State Department delegation from Washington is expected in Bonn later this year to offer proposals for energy aid.

But in an interview with a West German economics magazine, published Friday, Mr. Lamsdorff said he saw "nothing that could be offered us that corresponds to the scale of the natural gas project."

Poorer Nations' Growth Called 'Remarkable'

From Agency Dispatches
WASHINGTON — Developing countries showed a "remarkable" economic growth of 4.6 percent last year, more than triple the growth rate of industrial nations crippled by inflation, recession and high energy and interest costs, the World Bank reported Sunday.

In its annual report, the 139-nation lending institution said the 1.3-percent growth rate for industrial countries reflected a continuing economic slowdown. The United States and Britain showed "negative" growth, and there was a marked slowing of growth in Canada, France and West Germany.

Only Japan and Italy posted growth after inflation of 4 percent or more, the bank said.

It said world economic recovery is expected to be slower than that following the 1974-75 recession because of difficulties in reducing inflation. It saw little cause for optimism in the near term.

"The resilience shown by many developing countries in the face of so unfavorable an international environment was all the more remarkable," the report said.

Still, the bank said, many low- to middle-income countries faced serious problems as prices of raw products — except for petroleum — began to decline, and individual incomes in poor countries of sub-Saharan Africa actually fell.

Also, the report said, large deficits among developing countries that import oil threatened to upset investments needed for future development.

The disruptive effects of rising energy costs on national economies were illustrated dramatically in the World Bank report: It said that the combined current account surplus of six oil-exporting countries — Iraq, Kuwait, Libya, Qatar, Saudi Arabia and the United Arab Emirates — rose from \$19 billion in 1978 to more than \$100 billion in 1980.

At the same time, the combined \$30-billion surplus that industrial countries posted in 1978 had been replaced by a \$40-billion deficit by the end of 1980, the bank said.

Among developing countries that import oil, the \$26-billion deficit of 1978 had swollen to \$70 billion by the end of 1980.

Aggravating Factors
The developing countries' problems were aggravated last year by recession in the industrial countries, high energy costs and interest rates, volatile exchange rates, reduced levels of growth in world

trade and sharply declining prices of several primary or raw products in the second half of the year, the report said.

The bank cited efforts by several countries, including Senegal, Tanzania, Thailand, Pakistan, Morocco, Argentina, Chile and Uruguay, to revamp their economies in the face of severe economic problems.

But the report said adjustment problems "will continue to be severe" for oil-importing countries.

"These countries face a dilemma," the bank said. "If they rely heavily on external borrowings — presumably primarily from private sources — they may face problems in managing their debt."

"On the other hand, if they rein in their import demand sharply so as to make the necessary economic adjustments, they will almost inevitably reduce their own growth rates, while contributing to the contraction of output in the industrial countries."

The bank achieved an 8.39-percent return on assets for the fiscal year while extending loans and investment commitments to 81 countries for a total of \$13.1 billion. The outlays represented an 8-percent increase over fiscal 1980.

The bank's net income for fiscal 1981 rose 4 percent to \$610 million, while borrowings, mostly in the capital markets of Europe and Japan, totaled \$5.1 billion.

Its outstanding borrowing totaled \$27.8 billion, down from \$29.7 billion a year earlier. But one bank official noted the debt is stated in dollar-equivalent terms, rather than in the currencies in which it originated, making it misleadingly small in light of the recent sharp devaluation of the German mark, Swiss franc and Japanese yen.

WASHINGTON — The World Bank appears to be willing to go a long way to satisfy the Reagan administration's demands for changes in the bank's policies and operations, including, in general, more emphasis on the private sector, and in particular, greater "co-financing" of projects with commercial banks.

This is made clear in the bank's annual report, published Sunday, and stressed at a news conference by Munir Benjenk, vice president for external relations.

"Our desire to cofinance with the private sector is stronger than ever," said Mr. Benjenk. "It is the way we want to go." Both the Reagan administration and the bank's new president, A.W. Clausen, have called for greater involvement of the private sector in the development aid process.

The annual report says that the World Bank group of agencies had boosted loan commitments by 8 percent in the fiscal year ended June 30, 1981, to \$13.1 billion. Of this, the commitments by the bank itself were \$8.8 billion, and those of the International Finance Corp. (which deals with the private sector), \$4.3 billion.

But the bank counted \$3.5 billion in its total for its soft-loan affiliate, the International Development Association, whereas actual IDA commitments fell about \$1 billion short of loan approvals because the United States was late in coming through with its share.

Mr. Benjenk contended that apart from new pressure to stress the private sector, the bank's emphasis on cofinancing had been increasing for the past five or six years, during which time the money put up by private banks for developing-country projects cofinanced with the World Bank had multiplied from about \$200 million to \$1.7 billion last year.

Under cofinancing, a commercial bank or consortium of banks makes a loan to the borrowing country at market rate, and the World Bank simultaneously enters into a separate agreement with the country.

In addition to the new emphasis on cofinancing, the bank has been responsive to the Reagan administration's skepticism about an expanded program for energy development in Third World countries. The annual report limits its proposed 1981-1985 energy outlays to \$13 billion, as compared to the \$25 billion proposed by former Bank President Robert S. McNamara last year.

A U.S. Treasury report of July 28 said that the bank had overestimated the prospects for economic growth of both rich and poor nations. The bulk of resources for whatever energy expansion is necessary, the Treasury said, "must... come from the private sector."

Mr. Benjenk said that the bank would not hesitate to make a loan for energy development to a public-sector agency, but only if the private sector is incapable of handling the project.

Financing of the International Development Association remains a concern. Funding for the three-year, \$12-billion program — the biggest source of subsidized aid to the poorest countries — can go ahead only when 80 percent of the money is advanced, a "trigger" necessitating U.S. participation. This finally came Aug. 24 when Congress appropriated the first \$500 million out of the U.S. commitment of \$3.24 billion over three years.

Congressional approval of appropriations for the additional \$2.74 billion in fiscal years 1982 and 1983 seems less than sure to Bank officials, given the current budget reductions.

World Bank Seems Willing To Satisfy Reagan Demands

By Hobart Rowen
Washington Post Service

WASHINGTON — The World Bank appears to be willing to go a long way to satisfy the Reagan administration's demands for changes in the bank's policies and operations, including, in general, more emphasis on the private sector, and in particular, greater "co-financing" of projects with commercial banks.

This is made clear in the bank's annual report, published Sunday, and stressed at a news conference by Munir Benjenk, vice president for external relations.

"Our desire to cofinance with the private sector is stronger than ever," said Mr. Benjenk. "It is the way we want to go." Both the Reagan administration and the bank's new president, A.W. Clausen, have called for greater involvement of the private sector in the development aid process.

The annual report says that the World Bank group of agencies had boosted loan commitments by 8 percent in the fiscal year ended June 30, 1981, to \$13.1 billion. Of this, the commitments by the bank itself were \$8.8 billion, and those of the International Finance Corp. (which deals with the private sector), \$4.3 billion.

But the bank counted \$3.5 billion in its total for its soft-loan affiliate, the International Development Association, whereas actual IDA commitments fell about \$1 billion short of loan approvals because the United States was late in coming through with its share.

Mr. Benjenk contended that apart from new pressure to stress the private sector, the bank's emphasis on cofinancing had been increasing for the past five or six years, during which time the money put up by private banks for developing-country projects cofinanced with the World Bank had multiplied from about \$200 million to \$1.7 billion last year.

Under cofinancing, a commercial bank or consortium of banks makes a loan to the borrowing country at market rate, and the World Bank simultaneously enters into a separate agreement with the country.

In addition to the new emphasis on cofinancing, the bank has been responsive to the Reagan administration's skepticism about an expanded program for energy development in Third World countries. The annual report limits its proposed 1981-1985 energy outlays to \$13 billion, as compared to the \$25 billion proposed by former Bank President Robert S. McNamara last year.

A U.S. Treasury report of July 28 said that the bank had overestimated the prospects for economic growth of both rich and poor nations. The bulk of resources for whatever energy expansion is necessary, the Treasury said, "must... come from the private sector."

Mr. Benjenk said that the bank would not hesitate to make a loan for energy development to a public-sector agency, but only if the private sector is incapable of handling the project.

Financing of the International Development Association remains a concern. Funding for the three-year, \$12-billion program — the biggest source of subsidized aid to the poorest countries — can go ahead only when 80 percent of the money is advanced, a "trigger" necessitating U.S. participation. This finally came Aug. 24 when Congress appropriated the first \$500 million out of the U.S. commitment of \$3.24 billion over three years.

Congressional approval of appropriations for the additional \$2.74 billion in fiscal years 1982 and 1983 seems less than sure to Bank officials, given the current budget reductions.

WASHINGTON — The World Bank appears to be willing to go a long way to satisfy the Reagan administration's demands for changes in the bank's policies and operations, including, in general, more emphasis on the private sector, and in particular, greater "co-financing" of projects with commercial banks.

This is made clear in the bank's annual report, published Sunday, and stressed at a news conference by Munir Benjenk, vice president for external relations.

"Our desire to cofinance with the private sector is stronger than ever," said Mr. Benjenk. "It is the way we want to go." Both the Reagan administration and the bank's new president, A.W. Clausen, have called for greater involvement of the private sector in the development aid process.

The annual report says that the World Bank group of agencies had boosted loan commitments by 8 percent in the fiscal year ended June 30, 1981, to \$13.1 billion. Of this, the commitments by the bank itself were \$8.8 billion, and those of the International Finance Corp. (which deals with the private sector), \$4.3 billion.

But the bank counted \$3.5 billion in its total for its soft-loan affiliate, the International Development Association, whereas actual IDA commitments fell about \$1 billion short of loan approvals because the United States was late in coming through with its share.

Mr. Benjenk contended that apart from new pressure to stress the private sector, the bank's emphasis on cofinancing had been increasing for the past five or six years, during which time the money put up by private banks for developing-country projects cofinanced with the World Bank had multiplied from about \$200 million to \$1.7 billion last year.

Under cofinancing, a commercial bank or consortium of banks makes a loan to the borrowing country at market rate, and the World Bank simultaneously enters into a separate agreement with the country.

In addition to the new emphasis on cofinancing, the bank has been responsive to the Reagan administration's skepticism about an expanded program for energy development in Third World countries. The annual report limits its proposed 1981-1985 energy outlays to \$13 billion, as compared to the \$25 billion proposed by former Bank President Robert S. McNamara last year.

A U.S. Treasury report of July 28 said that the bank had overestimated the prospects for economic growth of both rich and poor nations. The bulk of resources for whatever energy expansion is necessary, the Treasury said, "must... come from the private sector."

Mr. Benjenk said that the bank would not hesitate to make a loan for energy development to a public-sector agency, but only if the private sector is incapable of handling the project.

Financing of the International Development Association remains a concern. Funding for the three-year, \$12-billion program — the biggest source of subsidized aid to the poorest countries — can go ahead only when 80 percent of the money is advanced, a "trigger" necessitating U.S. participation. This finally came Aug. 24 when Congress appropriated the first \$500 million out of the U.S. commitment of \$3.24 billion over three years.

Congressional approval of appropriations for the additional \$2.74 billion in fiscal years 1982 and 1983 seems less than sure to Bank officials, given the current budget reductions.

WASHINGTON — The World Bank appears to be willing to go a long way to satisfy the Reagan administration's demands for changes in the bank's policies and operations, including, in general, more emphasis on the private sector, and in particular, greater "co-financing" of projects with commercial banks.

This is made clear in the bank's annual report, published Sunday, and stressed at a news conference by Munir Benjenk, vice president for external relations.

"Our desire to cofinance with the private sector is stronger than ever," said Mr. Benjenk. "It is the way we want to go." Both the Reagan administration and the bank's new president, A.W. Clausen, have called for greater involvement of the private sector in the development aid process.

The annual report says that the World Bank group of agencies had boosted loan commitments by 8 percent in the fiscal year ended June 30, 1981, to \$13.1 billion. Of this, the commitments by the bank itself were \$8.8 billion, and those of the International Finance Corp. (which deals with the private sector), \$4.3 billion.

But the bank counted \$3.5 billion in its total for its soft-loan affiliate, the International Development Association, whereas actual IDA commitments fell about \$1 billion short of loan approvals because the United States was late in coming through with its share.

Mr. Benjenk contended that apart from new pressure to stress the private sector, the bank's emphasis on cofinancing had been increasing for the past five or six years, during which time the money put up by private banks for developing-country projects cofinanced with the World Bank had multiplied from about \$200 million to \$1.7 billion last year.

Under cofinancing, a commercial bank or consortium of banks makes a loan to the borrowing country at market rate, and the World Bank simultaneously enters into a separate agreement with the country.

In addition to the new emphasis on cofinancing, the bank has been responsive to the Reagan administration's skepticism about an expanded program for energy development in Third World countries. The annual report limits its proposed 1981-1985 energy outlays to \$13 billion, as compared to the \$25 billion proposed by former Bank President Robert S. McNamara last year.

A U.S. Treasury report of July 28 said that the bank had overestimated the prospects for economic growth of both rich and poor nations. The bulk of resources for whatever energy expansion is necessary, the Treasury said, "must... come from the private sector."

Mr. Benjenk said that the bank would not hesitate to make a loan for energy development to a public-sector agency, but only if the private sector is incapable of handling the project.

Financing of the International Development Association remains a concern. Funding for the three-year, \$12-billion program — the biggest source of subsidized aid to the poorest countries — can go ahead only when 80 percent of the money is advanced, a "trigger" necessitating U.S. participation. This finally came Aug. 24 when Congress appropriated the first \$500 million out of the U.S. commitment of \$3.24 billion over three years.

Congressional approval of appropriations for the additional \$2.74 billion in fiscal years 1982 and 1983 seems less than sure to Bank officials, given the current budget reductions.

WASHINGTON — The World Bank appears to be willing to go a long way to satisfy the Reagan administration's demands for changes in the bank's policies and operations, including, in general, more emphasis on the private sector, and in particular, greater "co-financing" of projects with commercial banks.

This is made clear in the bank's annual report, published Sunday, and stressed at a news conference by Munir Benjenk, vice president for external relations.

"Our desire to cofinance with the private sector is stronger than ever," said Mr. Benjenk. "It is the way we want to go." Both the Reagan administration and the bank's new president, A.W. Clausen, have called for greater involvement of the private sector in the development aid process.

The annual report says that the World Bank group of agencies had boosted loan commitments by 8 percent in the fiscal year ended June 30, 1981, to \$13.1 billion. Of this, the commitments by the bank itself were \$8.8 billion, and those of the International Finance Corp. (which deals with the private sector), \$4.3 billion.

But the bank counted \$3.5 billion in its total for its soft-loan affiliate, the International Development Association, whereas actual IDA commitments fell about \$1 billion short of loan approvals because the United States was late in coming through with its share.

Mr. Benjenk contended that apart from new pressure to stress the private sector, the bank's emphasis on cofinancing had been increasing for the past five or six years, during which time the money put up by private banks for developing-country projects cofinanced with the World Bank had multiplied from about \$200 million to \$1.7 billion last year.

Under cofinancing, a commercial bank or consortium of banks makes a loan to the borrowing country at market rate, and the World Bank simultaneously enters into a separate agreement with the country.

In addition to the new emphasis on cofinancing, the bank has been responsive to the Reagan administration's skepticism about an expanded program for energy development in Third World countries. The annual report limits its proposed 1981-1985 energy outlays to \$13 billion, as compared to the \$25 billion proposed by former Bank President Robert S. McNamara last year.

A U.S. Treasury report of July 28 said that the bank had overestimated the prospects for economic growth of both rich and poor nations. The bulk of resources for whatever energy expansion is necessary, the Treasury said, "must... come from the private sector."

Mr. Benjenk said that the bank would not hesitate to make a loan for energy development to a public-sector agency, but only if the private sector is incapable of handling the project.

Financing of the International Development Association remains a concern. Funding for the three-year, \$12-billion program — the biggest source of subsidized aid to the poorest countries — can go ahead only when 80 percent of the money is advanced, a "trigger" necessitating U.S. participation. This finally came Aug. 24 when Congress appropriated the first \$500 million out of the U.S. commitment of \$3.24 billion over three years.

Congressional approval of appropriations for the additional \$2.74 billion in fiscal years 1982 and 1983 seems less than sure to Bank officials, given the current budget reductions.

WASHINGTON — The World Bank appears to be willing to go a long way to satisfy the Reagan administration's demands for changes in the bank's policies and operations, including, in general, more emphasis on the private sector, and in particular, greater "co-financing" of projects with commercial banks.

This is made clear in the bank's annual report, published Sunday, and stressed at a news conference by Munir Benjenk, vice president for external relations.

"Our desire to cofinance with the private sector is stronger than ever," said Mr. Benjenk. "It is the way we want to go." Both the Reagan administration and the bank's new president, A.W. Clausen, have called for greater involvement of the private sector in the development aid process.

The annual report says that the World Bank group of agencies had boosted loan commitments by 8 percent in the fiscal year ended June 30, 1981, to \$13.1 billion. Of this, the commitments by the bank itself were \$8.8 billion, and those of the International Finance Corp. (which deals with the private sector), \$4.3 billion.

But the bank counted \$3.5 billion in its total for its soft-loan affiliate, the International Development Association, whereas actual IDA commitments fell about \$1 billion short of loan approvals because the United States was late in coming through with its share.

Mr. Benjenk contended that apart from new pressure to stress the private sector, the bank's emphasis on cofinancing had been increasing for the past five or six years, during which time the money put up by private banks for developing-country projects cofinanced with the World Bank had multiplied from about \$200 million to \$1.7 billion last year.

Under cofinancing, a commercial bank or consortium of banks makes a loan to the borrowing country at market rate, and the World Bank simultaneously enters into a separate agreement with the country.

In addition to the new emphasis on cofinancing, the bank has been responsive to the Reagan administration's skepticism about an expanded program for energy development in Third World countries. The annual report limits its proposed 1981-1985 energy outlays to \$13 billion, as compared to the \$25 billion proposed by former Bank President Robert S. McNamara last year.

A U.S. Treasury report of July 28 said that the bank had overestimated the prospects for economic growth of both rich and poor nations. The bulk of resources for whatever energy expansion is necessary, the Treasury said, "must... come from the private sector."

Mr. Benjenk said that the bank would not hesitate to make a loan for energy development to a public-sector agency, but only if the private sector is incapable of handling the project.

Financing of the International Development Association remains a concern. Funding for the three-year, \$12-billion program — the biggest source of subsidized aid to the poorest countries — can go ahead only when 80 percent of the money is advanced, a "trigger" necessitating U.S. participation. This finally came Aug. 24 when Congress appropriated the first \$500 million out of the U.S. commitment of \$3.24 billion over three years.

Congressional approval of appropriations for the additional \$2.74 billion in fiscal years 1982 and 1983 seems less than sure to Bank officials, given the current budget reductions.

WASHINGTON — The World Bank appears to be willing to go a long way to satisfy the Reagan administration's demands for changes in the bank's policies and operations, including, in general, more emphasis on the private sector, and in particular, greater "co-financing" of projects with commercial banks.

This is made clear in the bank's annual report, published Sunday, and stressed at a news conference by Munir Benjenk, vice president for external relations.

"Our desire to cofinance with the private sector is stronger than ever," said Mr. Benjenk. "It is the way we want to go." Both the Reagan administration and the bank's new president, A.W. Clausen, have called for greater involvement of the private sector in the development aid process.

The annual report says that the World Bank group of agencies had boosted loan commitments by 8 percent in the fiscal year ended June 30, 1981, to \$13.1 billion. Of this, the commitments by the bank itself were \$8.8 billion, and those of the International Finance Corp. (which deals with the private sector), \$4.3 billion.

But the bank counted \$3.5 billion in its total for its soft-loan affiliate, the International Development Association, whereas actual IDA commitments fell about \$1 billion short of loan approvals because the United States was late in coming through with its share.

Mr. Benjenk contended that apart from new pressure to stress the private sector, the bank's emphasis on cofinancing had been increasing for the past five or six years, during which time the money put up by private banks for developing-country projects cofinanced with the World Bank had multiplied from about \$200 million to \$1.7 billion last year.

Over-the-Counter

Sales in					Net		Sales in		
100s	High	Low	Last	Ch'ge		100s	High	Low	
24	214	84	90	+ 1/2	80M.75c	49	134		

Over-the-Counter

NEW YORK (API)-Weekly over the Counter market showing the high, low and last bid prices for the week with the net change from the previous week's last bid price. All quotations represented by the National Association of Securities Dealers, Inc. are not actual transactions but representative interdealer prices at which these securities could have been sold. Prices do not include retail commissions, minimum or maximum. Prices supplied by NASD.

Sales In					Net							
100s	High	Low	Last	Chge	100s	High	Low	Last	Chge			
AmGen 15.56	242	238	241	60	+	10	240	238	241	60	+	10
AmGen 25	121	120	121	120	+	10	120	121	120	+	10	
AmGen 35	121	120	121	120	+	10	120	121	120	+	10	
AmGen 45	121	120	121	120	+	10	120	121	120	+	10	
AmGen 55	121	120	121	120	+	10	120	121	120	+	10	
AmGen 65	121	120	121	120	+	10	120	121	120	+	10	
AmGen 75	121	120	121	120	+	10	120	121	120	+	10	
AmGen 85	121	120	121	120	+	10	120	121	120	+	10	
AmGen 95	121	120	121	120	+	10	120	121	120	+	10	
AmGen 105	121	120	121	120	+	10	120	121	120	+	10	
AmGen 115	121	120	121	120	+	10	120	121	120	+	10	
AmGen 125	121	120	121	120	+	10	120	121	120	+	10	
AmGen 135	121	120	121	120	+	10	120	121	120	+	10	
AmGen 145	121	120	121	120	+	10	120	121	120	+	10	
AmGen 155	121	120	121	120	+	10	120	121	120	+	10	
AmGen 165	121	120	121	120	+	10	120	121	120	+	10	
AmGen 175	121	120	121	120	+	10	120	121	120	+	10	
AmGen 185	121	120	121	120	+	10	120	121	120	+	10	
AmGen 195	121	120	121	120	+	10	120	121	120	+	10	
AmGen 205	121	120	121	120	+	10	120	121	120	+	10	
AmGen 215	121	120	121	120	+	10	120	121	120	+	10	
AmGen 225	121	120	121	120	+	10	120	121	120	+	10	
AmGen 235	121	120	121	120	+	10	120	121	120	+	10	
AmGen 245	121	120	121	120	+	10	120	121	120	+	10	
AmGen 255	121	120	121	120	+	10	120	121	120	+	10	
AmGen 265	121	120	121	120	+	10	120	121	120	+	10	
AmGen 275	121	120	121	120	+	10	120	121	120	+	10	
AmGen 285	121	120	121	120	+	10	120	121	120	+	10	
AmGen 295	121	120	121	120	+	10	120	121	120	+	10	
AmGen 305	121	120	121	120	+	10	120	121	120	+	10	
AmGen 315	121	120	121	120	+	10	120	121	120	+	10	
AmGen 325	121	120	121	120	+	10	120	121	120	+	10	
AmGen 335	121	120	121	120	+	10	120	121	120	+	10	
AmGen 345	121	120	121	120	+	10	120	121	120	+	10	
AmGen 355	121	120	121	120	+	10	120	121	120	+	10	
AmGen 365	121	120	121	120	+	10	120	121	120	+	10	
AmGen 375	121	120	121	120	+	10	120	121	120	+	10	
AmGen 385	121	120	121	120	+	10	120	121	120	+	10	
AmGen 395	121	120	121	120	+	10	120	121	120	+	10	
AmGen 405	121	120	121	120	+	10	120	121	120	+	10	
AmGen 415	121	120	121	120	+	10	120	121	120	+	10	
AmGen 425	121	120	121	120	+	10	120	121	120	+	10	
AmGen 435	121	120	121	120	+	10	120	121	120	+	10	
AmGen 445	121	120	121	120	+	10	120	121	120	+	10	
AmGen 455	121	120	121	120	+	10	120	121	120	+	10	
AmGen 465	121	120	121	120	+	10	120	121	120	+	10	
AmGen 475	121	120	121	120	+	10	120	121	120	+	10	
AmGen 485	121	120	121	120	+	10	120	121	120	+	10	
AmGen 495	121	120	121	120	+	10	120	121	120	+	10	
AmGen 505	121	120	121	120	+	10	120	121	120	+	10	
AmGen 515	121	120	121	120	+	10	120	121	120	+	10	
AmGen 525	121	120	121	120	+	10	120	121	120	+	10	
AmGen 535	121	120	121	120	+	10	120	121	120	+	10	
AmGen 545	121	120	121	120	+	10	120	121	120	+	10	
AmGen 555	121	120	121	120	+	10	120	121	120	+	10	
AmGen 565	121	120	121	120	+	10	120	121	120	+	10	
AmGen 575	121	120	121	120	+	10	120	121	120	+	10	
AmGen 585	121	120	121	120	+	10	120	121	120	+	10	
AmGen 595	121	120	121	120	+	10	120	121	120	+	10	
AmGen 605	121	120	121	120	+	10	120	121	120	+	10	
AmGen 615	121	120	121	120	+	10	120	121	120	+	10	
AmGen 625	121	120	121	120	+	10	120	121	120	+	10	
AmGen 635	121	120	121	120	+	10	120	121	120	+	10	
AmGen 645	121	120	121	120	+	10	120	121	120	+	10	
AmGen 655	121	120	121	120	+	10	120	121	120	+	10	
AmGen 665	121	120	121	120	+	10	120	121	120	+	10	
AmGen 675	121	120	121	120	+	10	120	121	120	+	10	
AmGen 685	121	120	121	120	+	10	120	121	120	+	10	
AmGen 695	121	120	121	120	+	10	120	121	120	+	10	
AmGen 705	121	120	121	120	+	10	120	121	120	+	10	
AmGen 715	121	120	121	120	+	10	120	121	120	+	10	
AmGen 725	121	120	121	120	+	10	120	121	120	+	10	
AmGen 735	121	120	121	120	+	10	120	121	120	+	10	
AmGen 745	121	120	121	120	+	10	120	121	120	+	10	
AmGen 755	121	120	121	120	+	10	120	121	120	+	10	
AmGen 765	121	120	121	120	+	10	120	121	120	+	10	
AmGen 775	121	120	121	120	+	10	120	121	120	+	10	
AmGen 785	121	120	121	120	+	10	120	121	120	+	10	
AmGen 795	121	120	121	120	+	10	120	121	120	+	10	
AmGen 805	121	120	121	120	+	10	120	121	120	+	10	
AmGen 815	121	120	121	120	+	10	120	121	120	+	10	
AmGen 825	121	120	121	120	+	10	120	121	120	+	10	
AmGen 835	121	120	121	120	+	10	120	121	120	+	10	
AmGen 845	121	120	121	120	+	10	120	121	120	+	10	
AmGen 855	121	120	121	120	+	10	120	121	120	+	10	
AmGen 865	121	120	121	120	+	10	120	121	120	+	10	
AmGen 875	121	120	121	120	+	10	120	121	120	+	10	
AmGen 885	121	120	121	120	+	10	120	121	120	+	10	
AmGen 895	121	120	121	120	+	10	120	121	120	+	10	
AmGen 905	121	120	121	120	+	10	120	121	120	+	10	
AmGen 915	121	120	121	120	+	10	120	121	120	+	10	
AmGen 925	121	120	121	120	+	10	120	121	120	+	10	
AmGen 935	121	120	121	120	+	10	120	121	120	+	10	
AmGen 945	121	120	121	120	+	10	120	121	120	+	10	
AmGen 955	121	120	121	120	+	10	120	121	120	+	10	
AmGen 965	121	120	121	120	+	10	120	121	120	+	10	
AmGen 975	121	120	121	120	+	10	120	121	120	+	10	
AmGen 985	121	120	121	120	+	10	120	121	120	+	10	
AmGen 995	121	120	121	120	+	10	120	121	120	+	10	
AmGen 1005	121	120	121	120	+	10	120	121	120	+	10	
AmGen 1015	121	120	121	120	+	10	120	121	120	+	10	
AmGen 1025	121	120	121	120	+	10	120	121	120	+	10	
AmGen 1035	121	120	121	120	+	10	120	121	120	+	10	
AmGen 1045	121	120	121	120	+	10	120	121	120	+	10	
AmGen 1055	121	120	121	120	+	10	120	121	120	+	10	
AmGen 1065	121	120	121	120	+	10	120	121	120	+	10	
AmGen 1075	121	120	121	120	+	10	120	121	120	+	10	
AmGen 1085	121	120	121	120	+	10	120	121	120	+	10	
AmGen 1095	121	120	121	120	+	10	120	121	120	+	10	
AmGen 1105	121	120	121	120	+	10	120	121	120	+	10	
AmGen 1115	121	120	121	120	+	10	120	121	120	+	10	
AmGen 1125	121	120	121	120	+	10	120	121	120	+	10	
AmGen 1135	121	120	121	120	+	10	120	121	120	+	10	
AmGen 1145	121	120	121	120	+	10	120	121	120	+	10	
AmGen 1155	121	120	121	120	+	10	120	121	120	+	10	
AmGen 1165	121	120	121	120	+	10	120	121	120	+	10	
AmGen 1175	121	120	121	120	+	10	120	121	120	+	10	
AmGen 1185	121	120	121	120	+	10	120	121	120	+	10	
AmGen 1195	121	120	121	120	+	10	120	121	120	+	10	
AmGen 1205	121	120	121	120	+	10	120	121	120	+	10	
AmGen 1215	121	120	121	120	+	10	120	121	120	+	10	
AmGen 1225	121	120	121	120	+	10	120	121	120	+	10	
AmGen 1235	121	120	121	120	+	10	120	121	120	+	10	
AmGen 1245	121	120	121	120	+	10	120	121	120	+	10	
AmGen 1255	121	120	121	120	+	10	120	121	120	+	10	
AmGen 1265	121	120	121	120	+	10	120	121	120	+	10	
AmGen 1275	121	120	121	120	+	10	120	121	120	+	10	
AmGen 1285	12											

Chicago Exchange Options

[illegible]

American Exchange Options

For the Week Ending Sept. 18, 1981

SPY	110	0.50	0.05	-0.02	0.10	0.01	0.01	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00
-----	-----	------	------	-------	------	------	------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------

American Exchange Options

For the Week Ending Sept. 18, 1981

[illegible]

American Exchange Options

For the Week Ending Sept. 18, 1981

[illegible]

American Exchange Options

For the Week Ending Sept. 18, 1981

[illegible]

France to Take Steps To Shore Up Currency

By John Bartram

PARIS — Pressure for a devaluation of the French franc should ease when foreign exchange markets reopen Monday following weekend moves to bolster the currency, Finance Ministry officials said Sunday.

France announced Saturday that it was tightening foreign exchange controls and would raise interest rates in a determined bid to stem out speculation that the franc would soon be devalued and the powerful West German mark revalued within the European Monetary System.

On Friday, foreign exchange dealers throughout the world sold dollars and bought marks in vast amounts, weakening the franc and causing strains within the EMS, which links all EEC currencies, except those of Britain and Greece, which set margins.

French Finance Minister Jacques Delors said on television Saturday night that France was determined to stay in the EMS. He said the current economic situation in France did not warrant a devaluation.

IMF Meeting

The officials said Sunday that the measures to defend the franc should remove pressure for a devaluation for at least three weeks — until after the annual meeting of the International Monetary Fund in Washington at the end of this month.

France announced Saturday that it had temporarily suspended the possibility for importers to buy foreign currency on the forward foreign exchange market.

Previously, most importers had to buy their currency on the forward market within one month, and the new restriction removes the possibility that they could

speculate on the devaluation of the franc by buying the currency cheaper and earlier than they needed.

The Bank of France will also announce on Monday rises in domestic interest rates that are expected to bring them up to around 13 percent from the 11½ percent charged for very short-term loans between big banks Friday.

Cutting the Gap

Higher French interest rates will make the currency more attractive to foreign investors and reduce the gap between rates in France and the United States, where the prime lending rate is now 20 percent.

But the moves could also delay economic recovery in France if commercial banks raise their lending rates to companies and individuals, French economists said.

Mr. Delors told a television interviewer Saturday that French banks' base rates, on which they base their loan charges to customers, will not rise from the current 14.5 percent following the moves to defend the franc.

The economists said the finance minister would put strong pressure on French banks, most of which are due to be nationalized soon, to keep their lending rates unchanged.

Higher charges for corporate loans could stifle new investment and damage the already faint prospect that France would achieve the government's official target of economic growth of 3 percent next year after expected growth of 0.5 percent in 1981.

Speculation against the franc Friday had also been fueled by a finding by the government's independent legal advisory body, the Conseil d'Etat, that foreign as well as French banks could be nationalized.

But Mr. Delors said Saturday there was still no question of foreign banks being nationalized.

London Shares Lose Billions In Worst Week in 5 Years

LONDON — The worst slump in share prices on the London Stock Exchange for five years wiped billions off paper values in the last week and has given Prime Minister Margaret Thatcher's Conservative government its worst economic jolt since it came to power in May, 1979.

The slide wiped £5 billion off British company share values in

the week, £2.6 billion of that on Friday alone.

Thursday's big fall on Wall Street, rising British interest rates and fears they will go higher, on top of rekindled inflation and a pessimistic report by the Bank of England on the outlook for the economy, combined to sink the index of stock prices on Friday by 16 points to 515.4.

The developments revived anxieties about the health of the British economy, never far away in the last 15 years despite the wealth of North Sea oil.

Friday's stock exchange fall was the biggest in one day since a sterling crisis in November, 1976, brought the International Monetary Fund winging to London to help prop up the pound.

The share slump coincided with government figures showing the annual rate of inflation worsened from 10.9 percent in July to 11.5 percent in August, after higher prices for gasoline, cigarettes, coal and clothes. It was the first rise in the index since March, when the rate stood at 12.6 percent.

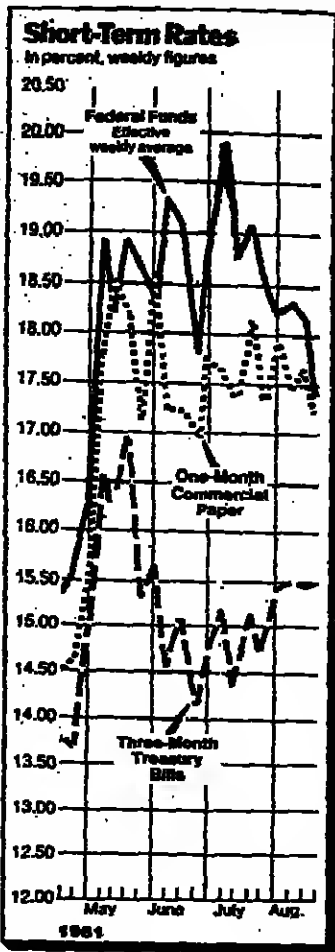
The inflation index was at 10.1 percent when Mrs. Thatcher was elected on a pledge to reduce prices and bring down inflation.

It peaked at a record 21.9 percent in May, 1980, but has since declined steadily. The government's anti-inflation policy of restricting credit by pushing up interest rates and slashing public spending, however, has pushed unemployment to 2.9 million, the highest since the Depression, and caused industry to stagnate.

As the pound slipped against the dollar, the Bank of England engineered a rise of 2 percent in interest rates last Monday.

The change led to a rise of seven cents in the value of the pound against the dollar, but there was hardly any improvement against European currencies, now led by the West German mark.

The major British clearing banks responded by raising their interest rates from 12 to 14 percent and warning that interest on overdrafts might reach 18 percent.



U.S. Economy Proves Resilient to High Rates

By Jonathan Fuerbringer

WASHINGTON — High interest rates, the economic handicappers had thought, should have shut down the economy long before now. It has not happened.

Not that things are all that bright. The securities markets are reeling. Detroit is depressed, and so are the home builders. Unemployment has remained around 7 percent for almost a year and a half. And over all, the economy is no better than sluggish. By the second quarter of 1981, the nation's gross national product, after adjustment for inflation, was just slightly above the level of the first quarter of 1980, and third quarter, according to preliminary figures released last week, will be no better.

Except for the short, sharp recession of 1980, the economy has shown it can evade a slump longer than the experts, who started talking about a recession in 1979, ever dreamed.

And many economists now contend that the slump of 1980 was an aberration — the price of the Carter administration's credit controls. Without the controls, they say, the economy would have muddled along with continued high interest rates, just as it has done this year.

What has happened to keep the

economy barely above water, economists say, is a combination of adapting to higher interest rates and some help from inflation. From tax breaks on interest to creative financing of home sales, businesses and consumers have learned to live with high interest rates. The rise in inflation, until the beginning of this year, also helped by offsetting some of the cost of interest rates.

This has meant that interest rates have not had the knockout punch of the past. Rather, the process of squeezing the economy is slow, which means it can keep struggling along.

But, more importantly, the economy has been creeping along because the supply of money, even if it costs a lot, has not been choked off as in previous periods of high rates. The money has kept flowing because of changes in banking regulations, financial markets and state laws.

The economy has now drifted into just the sort of stagnation that the Federal Reserve and many economists have argued, is necessary to bring inflation out of the system. Just a couple of years ago, such medicine was thought politically untenable. So far the medicine, prescribed by the Federal Reserve and endorsed by the Reagan administration, seems to be working, because the rate of inflation has begun to decline this year.

But some economists are worried that this slow squeeze may now actually be strangling the economy.

Citing recent figures on housing starts, retail sales and initial claims for unemployment compensation, some economists are more pessimistic now, and will become

more so if interest rates stay at their current levels. "There's good evidence that the economy is beginning to slip," said Alan Greenspan, chairman of the Council of Economic Advisers in the Ford administration and a close outside adviser to President Reagan.

Even one of the more optimistic forecasters, Otto Eckstein of Data Resources, sees a bigger drop in third-quarter GNP than he had before. But he refuses to predict a recession now. "The economy doesn't have the smell of a recession around it at all," he said.

Among the many props that have helped the economy survive under the burden of high rates, has been the deductibility of interest on federal tax returns. This break, said Charles Schulze, the chairman of the Council of Economic Advisers in the Carter administration, has cut high interest rates, after taxes, for both businesses and consumers.

For a company borrowing to finance inventories, the tax-break on interest could reduce the effective rate of a 20 percent prime to about 10 percent. Then, said Barry P. Bosworth, an economist with the Brookings Institution, this after-tax cost could be further offset with a 10 percent or more rise in inflation to push up the value of the inventory.

Together, he said, tax breaks and inflation helped keep some businesses going by moderating the impact of high interest rates.

There are other, more painful adjustments. William Dunkelberg, the economic consultant for the National Federation of Independent Business, says his surveys show that small businesses have laid off one or more workers and used the salaries to meet the higher interest costs.

OPEC Cash Seen Dropping Sharply

(Continued from Page 9)

Bank of America Asia, one member of the group, has announced. The 10-year loan is split into two parts. The first is for \$70 million at 4½ percent on the London interbank offered rate for eight years and ½ point over Libor for the rest. The remaining \$20 million is "tax spared," and the artificially low margins start at 4½ point over Libor for the first three years and rise to ½ point for the next five and ¾ point over Libor for the final two.

The other two banks involved are Sumitomo Finance Asia and Wells Fargo Asia. In other news, Citicorp International Group announced that it has been appointed to arrange project financing for the planned construction of the New Zealand Synthetic Fuels synthetic gasoline plant. The amount of the financing has not been released, but a spokesman said it will be the largest borrowing yet undertaken for a project in New Zealand.

He said the sum will be greater than the \$500-million Euronote issuance facility arranged for the New Zealand government at the end of 1980.

Korea Electric to Tap Market HONG KONG (Reuters) — Korea Electric has awarded a mandate to a group of three lead managing banks to raise \$90 million.

Stalemate Talks to Resume On World Textile Accord

By Tony Austin

GENEVA — Talks resume on a new international textile agreement Monday amid growing anger in both advanced and developing countries about present arrangements regulating the trade.

A 27-nation Third World group will press the partners in the General Agreement on Tariffs and Trade to scrap measures that discriminate against their lower-priced exports.

The United States, EEC and other major importers will insist on their continuing right to hold down the inflow of clothing and materials that they say leads to factory closures and unemployment at home.

But the week-long debate in GATT's 51-nation Textiles Committee is unlikely to result in any immediate decision on a multilateral arrangement to replace the four-year pact that runs until the end of this year, a GATT spokesman said Sunday.

The trading partners, which account for about 80 percent of world commerce in textiles and clothing worth more than \$60 billion, already have scheduled an open-ended round of talks starting Nov. 18, which could drag on until Christmas, diplomatic sources said.

Last Thursday, 40,000 Swedish textile workers went on strike for two hours to protest against alleged government inactivity over cheap and disruptive imports. Earlier this year textile employees in EEC countries, which have shed more than 800,000 jobs in this sector since 1973, made similar token stoppages and demanded tougher curbs on Third World imports.

The multilateral arrangement was originally designed in 1973 to regulate world trade in one of the most politically sensitive industries and permit an orderly transfer of manufacturing resources from wealthy, high-wage countries to the labor-intensive and low-cost developing world.

But the committee's 27 developing countries now complain that industrialized countries have had time to adjust and there should be no further loopholes to a clause guaranteeing them 6 percent overall growth in exports every year.

Felipe Jaramillo, Colombian spokesman of the group, rejected an EEC suggestion to link renewal of the agreement with the renegotiation of bilateral pacts, most of which expire at the end of next year.

The panel must set the multilateral agreement ground rules before individual countries sit down to work out any voluntary restraint pacts, Mr. Jaramillo has said.

A GATT spokesman said Sunday that there were no new pro-

posals this time and the developing countries' seven-point demands were still on the table, including their insistence that a new agreement contain no "reasonable departure clause."

Low-cost exporters complain that richer countries use this as an all-purpose excuse to stifle their 6 percent growth, on the pretext that a particular import is disrupting the domestic industry.

Regan Urges Overhaul of Bank Rules

New York Times Service

WASHINGTON — Secretary of the Treasury Donald T. Regan has outlined a sweeping approach to deregulation of U.S. financial institutions that would let banks open branches across state lines and that would gradually erase the distinction between commercial banks and savings institutions.

Without being specific, Mr. Regan Friday also recommended that Congress let commercial banks move further into securities underwriting in competition with investment bankers and brokerage houses.

Mr. Regan, who was chairman of Merrill Lynch, the largest U.S. brokerage firm, until he joined the administration, presented in broad brush strokes what appeared to be the skeleton of an administration proposal to Congress.

A Senate aide said that the Cabinet Council on Economic Policy was scheduled to discuss deregulation of financial institutions with President Reagan on Tuesday.

The secretary attacked the McFadden Act's prohibition on interstate branching as antiquated. He said 30 foreign banks own "conduct operations" in more than one state and account for six of the 10 largest banks in California.

Mr. Regan criticized at length the 1933 Glass-Steagall Act, which separated underwriting from commercial banking.

He said that Congress passed the Glass-Steagall Act in the belief that some banks had failed because they had speculated in securities, presumably with their depositors' money. The secretary challenged what he said was the finding of the Senate Banking Committee that "a major cause of bank failures" was investment in "worthless, illiquid securities."

Mr. Regan seemed to imply that he would support legislation to let thrift institutions — savings banks and savings and loan associations — take on more of the attributes of commercial banks.

Bond Dealers Hear 'Music'

(Continued from Page 9)

per, sold at par, ended the week at 98½-99½.

With domestic West German interest rates easing during the week and the dollar declining on the foreign exchange market, fueling expectations of an imminent revaluation of the Deutsche mark against the European currencies, it is joined to the European Monetary System, demand for DM-denominated bonds soared.

The issue for National Westminster Bank was increased to 125 million DM from the indicated 100 million. The 10-year bonds, bearing a coupon of 11 percent were sold at a premium of 100½ and ended the week at 101½-102.

Oesterreichische Kontrollbank's 150 million DM of five-year notes, sold at par bearing a coupon of 11 percent, ended the week at 100½-101.

Frankfurt dealers confidently predict that there will be no new bonds bearing coupons of 11 percent.

Market Turnover Week Ending Sept. 18 (Billions of U.S. Dollars)

	Total	Domestic	Non-Domestic
Cash	3,633.3	2,846.3	787.0
Eurol	4,802.0	4,480.1	321.9

To Our Readers

The Eurobond yields were not affected as a result of transmission problems.

All these securities have been sold. This announcement appears as a matter of record only.



The Council of Europe Resettlement Fund

for National Refugees and Over-Population in Europe

Strasbourg/Paris

60'000'000 Swiss Francs 7¾% Bonds 1981-1991

BANCA DEL GOTTARDO

HANDELSBANK N.W.
BANK VON ERNST & CIE AG
BANQUE PRIVEE S.A.
LA ROCHE & CO.

Aargauische Hypotheken- und Handelsbank
Banque Vaudoise de Crédit
Bank in Gossau
Bank in Menziken
Bank vom Linthgebiet
Basellandschaftliche Hypothekenbank
EKO Hypothekar- und Handelsbank

SCHWEIZERISCHE HYPOTHEKEN- UND HANDELSBANK
BANCA DELLA SVIZZERA ITALIANA
BANQUE DE PARIS ET DES PAYS-BAS (SUISSE) S.A.
WIRTSCHAFTS- UND PRIVATBANK

Luzerner Landbank AG
Banque Romande
Bank Europäischer Genossenschaftsbanken
Banque de l'Union Européenne en Suisse S.A.
Société Générale Alsacienne de Banque
— Groupe Société Générale —
Banque Bruxelles Lambert (Suisse) S.A.

Gold Options (prices in \$/oz.)

Price	New	Old	May 1982
200	20.00-20.25	20.00-20.25	20.00-20.25
250	25.00-25.25	25.00-25.25	25.00-25.25
300	30.00-30.25	30.00-30.25	30.00-30.25
350	35.00-35.25	35.00-35.25	35.00-35.25
400	40.00-40.25	40.00-40.25	40.00-40.25

Valeurs White Weld S.A.
1, Quai du Mont-Blanc
1211 Geneva 1, Switzerland
Tel. 310251 - Telex 28305

INTERNATIONAL INCOME FUND

provides the following choice of investments:
Short Term 'A' Units
Exclusively invested in US Dollar instruments with maturities less than 12 months.

Short Term 'B' Units
Invested in instruments denominated in the SDR currencies and Swiss Francs with maturities less than 12 months.

Long Term Units
A balanced portfolio of Eurobonds and Euroconvertibles

Redeemable at net asset value less 1% on 1 day's notice.
Midland Bank Trust Company (Channel Islands) Limited
Information and Prospectus from:
EBC Trust Company (Jersey) Limited,
28-34 Hill Street, St. Helier, Jersey, C.I.
Tel. 0534 36381
Banque Générale de Luxembourg S.A.,
14 Rue Adolphe de Luxembourg, L-1799
Luxembourg
Dark prices are published in this new paper under International Funds

FIRST SECURITY CAPITAL AND INCOME FUND N.V.

CORRECTION ON NOTICE PUBLISHED ON SEPTEMBER 8, 1981.

RE: Annual General Meeting of shareholders to be held on September 29, 1981.
The total amount of the accrued cumulative preferential dividend mentioned in item 3 of the agenda should read US \$83.05 instead of US \$93.05.

Caribbean Management Company
Managing Director.

BEAC
BANQUE EUROPEENNE DE CREDIT
AN EEC AFFILIATED BANK

The multinational bank for international finance.
Banque Européenne de Crédit
Boulevard du Souverain 100
B-1170 Brussels
tel. 660 4900 tix 23846

BEAT INFLATION GUARANTEED

We offer term deposit accounts which produce maximum interest while at the same time giving flexibility of choice and absolute security for your money. Keep what you have earned and beat inflation with the following interest rates. GUARANTEED.

NET RETURN

- Minimum deposit equivalent £500.
- Withdrawals in any amount can be effected on maturity of the agreed notice.
- Interest paid or credited half yearly.
- Amounts quoted are based on 1 year fixed term deposits.
- All interest paid is net and without deductions (taxes, etc.) at source.
- All transactions confidential.
- Deposits are unconditionally guaranteed. Write to Manager for further information.


Currency	Rate
DOLLAR (Can.)	19 %
PESETE (Spain)	19 %
DOLLAR (U.S.)	18.50%
STERLING (£)	15.75%
FRANC (French)	17.50%
MARK (Deutsch)	12.75%
FRANC (Swiss)	7 %

NO TAX
Shuttle Building Society
Light House Development
Europe Point
P.O. Box 363 - Gibraltar
Tel: 72546. Telex: 2277 STRASS GK

WORLD LEADER

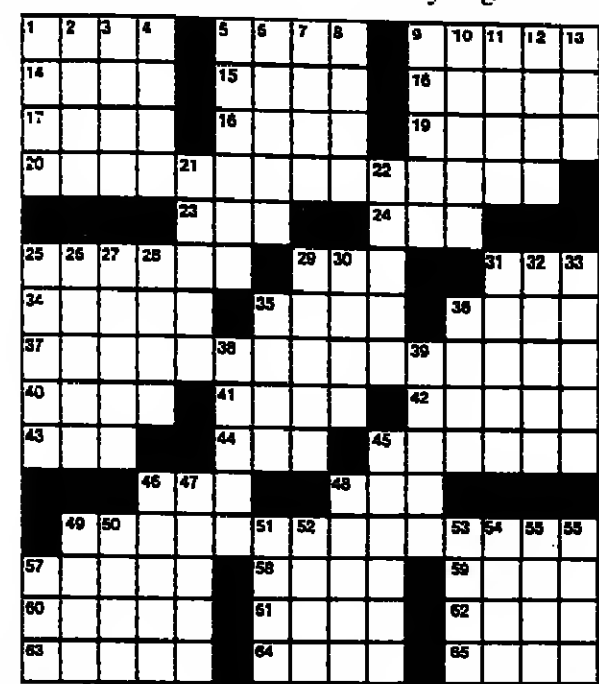
Wherever excellence is a way of life, the same is true of Rothmans King Size. Rothmans extra length, finer filter and the best tobacco money can buy give you true King Size flavour. Rothmans King Size really satisfies.

THE GREATEST NAME IN CIGARETTES

 **COLLEGE DEGREE**
For Life Experiences & Work Experiences
You may qualify for Bachelor's, Masters or Doctorate
Send detailed resume
for a no-cost evaluation
PACIFIC WESTERN UNIVERSITY
16200 Veterans Road, Reno, NV 89511
Call 775/779-1000 for more information

CROSSWORD

By Eugene T. Malesko



ACROSS

- 1 Thick piece
5 Reading, e.g.
9 Diminish
14 Channel
15 Bait, etc.,
for short
16 Panamanian
city
17 Publisher
Adolph
18 City on the
Truckee
19 Hollywood
employee
20 Emlyn
Williams play
21 Word with
flower or
water
24 Entry in a
teacher's roll
25 Young
member of a
pride
29 Dutch disease
victim
31 Dir. from
Zurich to
Lucerne
34 Port in
Caesar's day
35 Rattle bird
36 Companion of
tear
37 Sallust opus
40 "Just—
doh—
doh—"
41 Electrical unit
42 Choreog-
rapher Alley
43 Small ape
44 Pompos one

DOWN

- 2 Dunder native
3 Ness or
Lomond
4 Word with
head or tooth
6 Brown pear
7 Antic
8 Improve
9 Prefix with
potent or
present
10 She wrote "A
Girl Like I"
11 Bitter
12 Simulates
negative
13 Der-
(Adenauer)
14 Rent
15 Spanish queen
16 Opposite of
Down
17 West Indian
sorcery

ACROSS

- 22 Range
25 Kind of train
26 of
government
27 a-sailing...
28 Aquatic
mammal
29 Riviera resort
30 Jannings and
Ludwig
31 Tennis play
32 Berlin's...
with Music...
1921
33 British naval
women
35 Antithesis of
Eris or Ares
36 Mary Ann—
vialist
39 "—la
vialist"
45 "Give—
to the Indians,"
1839 song
46 Lighter
47 Photographer
Adams
48 Shaba
49 Gun sight
50 Pitcher parts
51 Made a hole—
in one
52 Slangy
negative
53 Ponselleur
Bonheur
54 Weaver's gear
55 Actor Stone
56 Opposite of
Down
57 Breton grain

WEATHER

	NIGH	LOW		NIGH	LOW
ALABAMA	22	16	Fair	22	16
ALASKA	22	16	Fair	22	16
ARIZONA	22	16	Fair	22	16
ARKANSAS	22	16	Fair	22	16
CALIFORNIA	22	16	Fair	22	16
CANADA	22	16	Fair	22	16
CHICAGO	22	16	Fair	22	16
CINCINNATI	22	16	Fair	22	16
CLEVELAND	22	16	Fair	22	16
DALLAS	22	16	Fair	22	16
DENVER	22	16	Fair	22	16
DETROIT	22	16	Fair	22	16
HOUSTON	22	16	Fair	22	16
LOS ANGELES	22	16	Fair	22	16
MIAMI	22	16	Fair	22	16
MINNEAPOLIS	22	16	Fair	22	16
NEW YORK	22	16	Fair	22	16
PHILADELPHIA	22	16	Fair	22	16
PITTSBURGH	22	16	Fair	22	16
PORTLAND	22	16	Fair	22	16
RICHMOND	22	16	Fair	22	16
SAN FRANCISCO	22	16	Fair	22	16
SAN JOSE	22	16	Fair	22	16
SEATTLE	22	16	Fair	22	16
SINGAPORE	22	16	Fair	22	16
SUNNYVALE	22	16	Fair	22	16
TAMPA	22	16	Fair	22	16
WASHINGTON	22	16	Fair	22	16
WASHINGTON	22	16	Fair	22	16
WASHINGTON	22	16	Fair	22	16

Readings from the previous 24 hours.

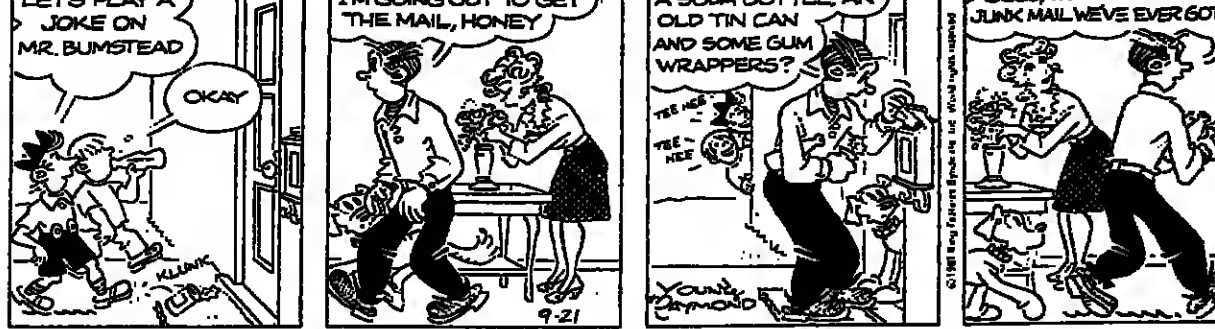
PEANUTS



B.C.



BLONDIE



BEETLE BAILEY



ANDY CAP



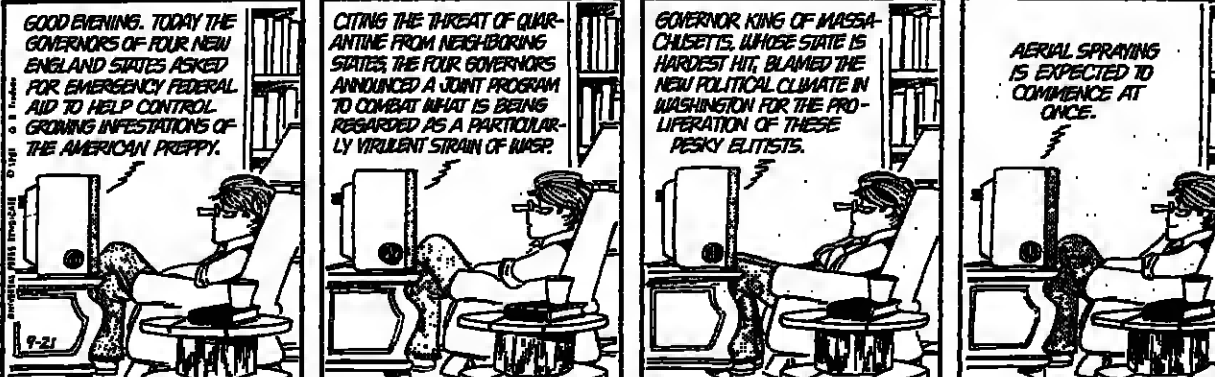
WIZARD OF ID



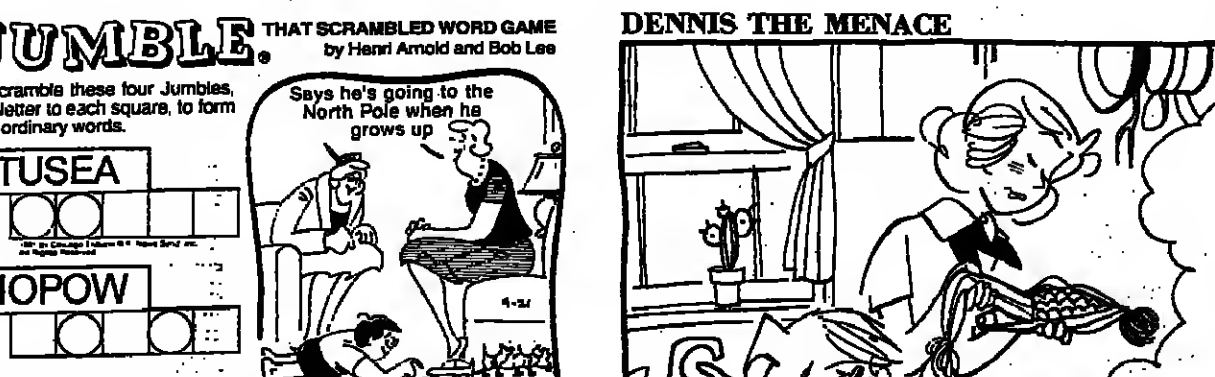
REX MORGAN



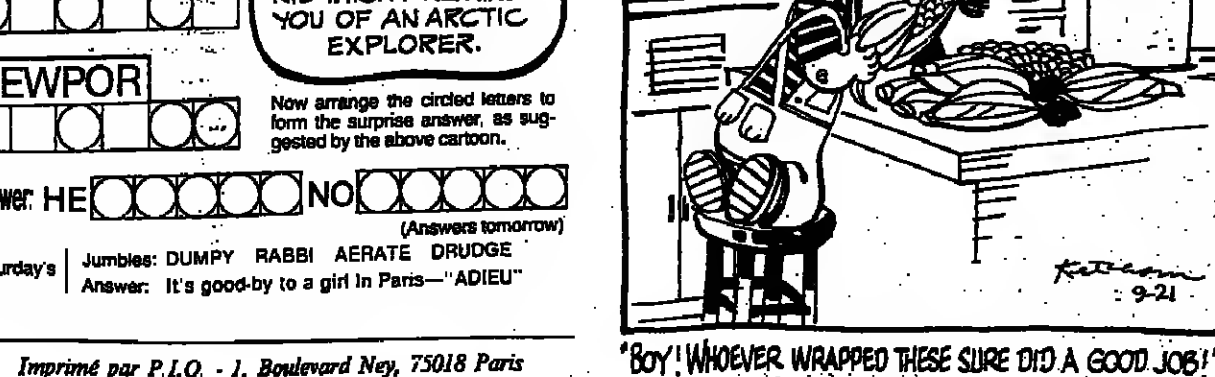
DOONESBURY



JUMBLE



DENNIS THE MENACE



BOOKS

A FISTFUL OF SUGAR

By Alan Goldstein. (Illustrated.) 299 pp. \$12.95.
Coward, McCann and Geoghegan, 700 Madison Ave., New York
10016.

Reviewed by Anatole Broyard

SUGAR RAY LEONARD is a handsome, likable, articulate young man who is probably the best welterweight alive and perhaps of all time, with the exception of the original Sugar Ray Robinson. He is tough, brave and generous as well as flashy. His box-office appeal is phenomenal. Yet all this doesn't seem to have helped Alan Goldstein, a sports columnist for The Baltimore Sun, to rise above the usual boxing biography in "A Fistful of Sugar."

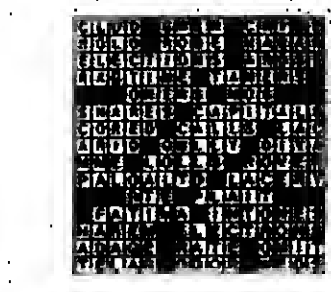
Roberto Duran is described as "gouging" himself with food. Henry Cooper "gained ignominy" at the hands of Muhammad Ali. When a fighter known in the trade as "a spoiler" is mentioned, messengers "exit in the panic of a Chinese fire drill." Sugar Ray's hands "fly faster than a blackjack dealer's." He throws "a hailstorm of blows." His opponent's face "looked as if it had been caught in a sewing machine."

Yet boxing has come a long way toward literacy, though it is difficult to explain Goldstein's characterization of Howard Cosell as "a scholarly man with a strong sense of history." It is not sports commentators, but managers and trainers such as Gil Clancy and Angelo Dundee who have raised the level of discourse.

The boxers themselves are coached as much in the art of equivocation as they are in the throwing of sucker rights. They need to be double talkers to explain why they keep fighting opponents that the public is not interested in instead of those who would make the better fight. The true answer, of course, is that the financial and promotional machinery of boxing has become so complicated that the fighters themselves are not always sure what is going on.

As most fans know by now, Sugar Ray won a gold medal in the Olympics and turned pro. He said he didn't want to, but his father and mother both felt ill and so he needed the money. Also, his girlfriend Juanita, now his wife, got him slapped with a pate-

Solution to Friday's Puzzle



CHESS

By Robert Byrne

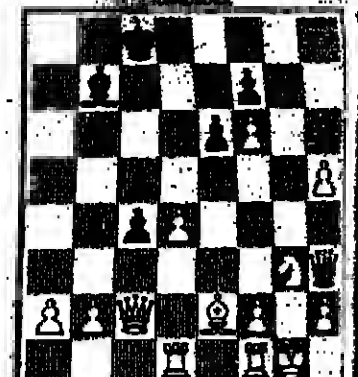
THE Dutch grandmaster Genna Sosonko and Jan Timman proved their superior talent on their own turf, winning the 42nd Hoogmoed International Tournament in Wijk aan Zee with identical 8-4-4 scores.

Timman's cool resourcefulness put down an ambitious counterattack by Eugenio Torre, a Filipino grandmaster, in the ninth round. The Anti-Meran Gambit, 5 B-N5, permits Black to seize a pawn with 5... P-N4 and to secure it with 6... P-N4, but after the fourth sequence leading to 12 P-N4, Black is a pawn down.

This opening is really a counter-gambit, featuring a complicated struggle for the initiative. After 12... P-N5; 13 N-K4, B-QR3, it would be suicidal for White to carry through with 14 B-N2, P-B6; 15 P-R, P-R; 16 Q-B2, R-QN1; 17 P-OR3, R-N7; 18 Q-P, B-N5; 19 Q-B, R-Q; 20 B-Q2, R-R4, as in the Kramer-Bentler game, United States, 1945.

Whereas the Shashin-Kochiev game, U.S.S.R., 1972, went 17... P-B4; 18 P-R, B-P; 19 R-Rch, R-R; 20 P-B4, Q-N3; 21 R-Q1, B-Q5; 22 P-KR4 with superior mobility for White, Torre explored the gambit with 17... Q-R6; 18 B-R4, R-BU After 19 P-R, he might have tried 19... Q-QP, but White's defense would seem to hold following 20 K-R1, B-R3; 21 R-KN1, B-B5; 22 R-N2.

Timman prevented Torre from getting an open king rook file by playing 20 P-R5, but this tempo was used by the Filipino to attack from another quarter with 20... B-QN2; 21 N-N3, P-B4 Since 22 B-B7, R-N1; 23 R-B2, B-K6; 24 B-B1, R-Bch; 25 P-R, Q-Qch; 26 B-N2, B-BP would have been annihilating, Timman was compelled to offer the preventive sac-



Position after 21... P-B4

rifices with 22 P-Q5, B-P; 23 R-R, P-R. The two passed pawns led by 24 Q-R7, B-B5; 25 Q-P were what Timman, reliable Torro, and his frantic efforts to improve their stance, they had both reached the seventh rank after 32 P-B7.

Since there was nothing to do about the terrible threat of 33 R-Kch, Torre gave up.

White	Black	White	Black
1 P-Q4	1... P-Q4	17 Q-R6	17... Q-R6
2 P-Q4	2... P-Q4	18 B-R4	18... B-R4
3 B-N3	3... B-N3	19 Q-B2	19... Q-B2
4 N-K4	4... N-K4	20 P-R5	20... P-R5
5 B-N5	5... B-N5	21 R-Q1	21... R-Q1
6 P-N4	6... P-N4	22 P-KR4	22... P-KR4
7 P-B4	7... P-B4	23 R-B2	23... R-B2
8 B-R4	8... B-R4	24 B-B1	24... B-B1
9 P-R	9... P-R	25 P-R	25... P-R
10 Q-B2	10... Q-B2	26 B-N2	26... B-N2
11 P-R	11... P-R	27 Q-R7	27... Q-R7
12 P-N4	12... P-N4	28 Q-P	28... Q-P
13 N-K4	13... N-K4	29 Q-R7	29... Q-R7
14 B-N2	14... B-N2	30 P-R	30... P-R
15 P-R	15... P-R	31 R-KN1	31... R-KN1
16 Q-B2	16... Q-B2	32 P-B7	32... P-B7
17 Q-R6	17... Q-R6	33 R-Kch	33... R-Kch
18 B-R4	18... B-R4		
19 Q-B2	19... Q-B2		
20 P-R5	20... P-R5		
21 R-Q1	21... R-Q1		
22 P-KR4	22... P-KR4		
23 R-B2	23... R-B2		
24 B-B1	24... B-B1		
25 P-R	25... P-R		
26 B-N2	26... B-N2		
27 Q-R7	27... Q-R7		
28 Q-P	28... Q-P		
29 Q-R7	29... Q-R7		
30 P-R	30... P-R		
31 R-KN1	31... R-KN1		
32 P-B7	32... P-B7		
33 R-Kch	33... R-Kch		

RADIO NEWSCASTS

BBC WORLD SERVICE

News of 0000, 0200, 0400, 0600, 0800, 1000, 1200, 1400, 1600, 1800, 2000, 2200, 2400 GMT		25	11:30	11:45	12:00	12:15	12:30	12:45	13:00	13:15	13:30	13:45	14:00	14:15	14:30	14:45	15:00	15:15	15:30	15:45	16:00	16:15	16:30	16:45	17:00	17:15	17:30	17:45	18:00	18:15	18:30	18:45	19:00	19:15	19:30	19:45	20:00	20:15	20:30	20:45	21:00	21:15	21:30	21:45	22:00	22:15	22:30	22:45	23:00	23:15	23:30	23:45	24:00																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																			
Western Europe		25	11:30	11	25:40	41	2:14	19	15:07																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																															

VOICE OF AMERICA

Western Europe	W.T.	16:00	16:15	16:30	16:45	17:00	17:15	17:30	17:45	18:00	18:15	18:30	18:45	19:00	19:15	19:30	19:45	20:00	20:15	20:30	20:45	21:00	21:15	21:30	21:45	22:00	22:15	22:30	22:45	23:00	23:15	23:30	23:45	24:00															
Europe	12:00	12:15	12:30	12:45	13:00	13:15	13:30	13:45	14:00	14:15	14:30	14:45	15:00	15:15	15:30	15:45	16:00	16:15	16:30	16:45	17:00	17:15	17:30	17:45	18:00	18:15	18:30	18:45	19:00	19:15	19:30	19:45	20:00	20:15	20:30	20:45	21:00	21:15	21:30	21:45	22:00	22:15	22:30	22:45	23:00	23:15	23:30	23:45	24:00
Asia	12:00	12:15	12:30	12:45	13:00	13:15	13:30	13:45	14:00	14:15	14:30	14:45	15:00	15:15	15:30	15:45	16:00	16:15	16:30	16:45	17:00	17:15	17:30	17:45	18:00	18:15	18:30	18:45	19:00	19:15	19:30	19:45	20:00	20:15	20:30	20:45	21:00	21:15	21:30	21:45	22:00	22:15	22:30	22:45	23:00	23:15	23:30	23:45	24:00
Africa	12:00	12:15	12:30	12:45	13:00	13:15	13:30	13:45	14:00	14:15	14:30	14:45	15:00	15:15	15:30	15:45	16:00	16:15	16:30	16:45	17:00	17:15	17:30	17:45	18:00	18:15	18:30	18:45	19:00	19:15	19:30	19:45	20:00	20:15	20:30	20:45	21:00	21:15	21:30	21:45	22:00	22:15	22:30	22:45	23:00	23:15	23:30	23:45	24:00
Latin America	12:00	12:15	12:30	12:45	13:00	13:15	13:30	13:45	14:00	14:15	14:30	14:45	15:00	15:15	15:30	15:45	16:00	16:15	16:30	16:45	17:00	17:15	17:30	17:45	18:00	18:15	18:30	18:45	19:00	19:15	19:30	19:45	20:00	20:15	20:30	20:45	21:00	21:15	21:30	21:45	22:00	22:15	22:30	22:45	23:00	23:15	23:30	23:45	24:00

RADIO CANADA INTERNATIONAL

Western Europe	W.T.	16:00	16:15	16:30	16:45	17:00	17:15	17:30	17:45	18:00	18:15	18:30	18:45	19:00	19:15	19:30	19:45	20:00	20:15	20:30	20:45	21:00	
----------------	------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	--

Michigan Is Overwhelming As Notre Dame Falls, 25-7

ANN ARBOR, Mich. — Wide receiver Anthony Carter scored on passes of 71 and 15 yards from Steve Smith as Michigan rebounded from an opening game upset to score a 25-7 college football victory Saturday over top-ranked Notre Dame.

Before 105,888 fans, the third largest crowd in Michigan history, the Wolverines shredded the Irish defense for 304 yards on the ground and 103 through the air, even though Smith completed only four of 15 passes — Carter caught three for 99 — and had two interceptions.

Notre Dame managed just 173 yards in total offense, with 111 yards in the final period when the outcome was no longer in doubt.

The Wolverines, although knocked from the No. 1 ranking by Wisconsin a week earlier, came into Saturday's game as a slight favorite. But they were starting from a brutal week of practice, and determined not to go through the same agony again.

"No one wanted to have to face another week like this past one," said Michigan tailback Butch Woolfolk, who rushed for 139 yards on 23 carries. "We had a lot to make up for today. Last year, last week, everything."

Last year, Notre Dame beat Michigan, 29-27, on a 51-yard field goal on the last play of the game.

Last week, Wisconsin shocked Michigan, 21-14. On Saturday, Woolfolk, Carter and Smith, the sophomore quarterback who was last week's goat, made sure that the past would not ruin a perfect afternoon.

Defense Finally Broke

"We came back from the poorest performance I can remember at Michigan," coach Bo Schembechler said. "I think this re-establishes us as a good football team."

"Michigan just played great ball the whole day," said Gerry Faust, whose first coaching loss at Notre Dame was also his first loss in 34 games, dating back to a 1977 defeat as a high school coach. "You can't let your defense stay on the field as long as we did and not expect them to bend, break, sooner or later."

Notre Dame's defense finally broke because the Irish offense never gave it a breather. Until their touchdown in the fourth quarter, which came with Michigan leading 25-0, the Irish had crossed the 50 only once. They had one first down in the second and third quarters.

After both teams wasted scoring chances, the Wolverines struck early in the second quarter on a 71-yard pass play from Smith to Carter, who got behind two defensive backs inside the Irish 30 and scored easily. The touchdown came one play after Carter lost 12 yards trying to throw a pass off a double reverse.

Carter's second touchdown catch, midway through the third quarter, capped a 10-play, 52-yard drive after an interception by defensive back Keith Bodie.

Michigan scored again five minutes later. With Smith running the option offense to near-perfection, the Wolverines went 58 yards in nine plays, scoring on a 1-yard plunge by Lawrence Ricks.

The score rose to 25-0 when Smith's 6-yard keeper clinched a

53-yard, six-play drive early in the final period. Notre Dame averted a shutout on an 8-yard pass from Tim Kogel to Dean Maszack with 7:42 remaining.

Clemson 13, Georgia 3

In Clemson, S.C., the Clemson defense intercepted five passes and recovered four fumbles as the Tigers upset Georgia, 13-3, and snapped the defending national champions' 15-game winning streak.

Junior quarterback Homer Jordan threw an 8-yard touchdown pass to Perry Tuttle midway through the second quarter and Donald Igwebuike added a 39-yard field goal as Clemson took a 10-0 halftime lead. Igwebuike, a sophomore from Nigeria, also had a 29-yard field goal late in the fourth quarter.

Georgia, with running star Herschel Walker fumbling three times and quarterback Buck Belue giving up five interceptions, got its only points when freshman Kevin Butler kicked a 40-yard field goal in the third quarter. Walker gained 111 yards rushing, but it took him 28 carries to do so.

Alabama 19, Kentucky 10

In Lexington, Ky., Peter Kim kicked a 37-yard field goal with two minutes left as Alabama rallied for a 19-10 Southeastern Conference victory over Kentucky.

The Crimson Tide, upset a week earlier by Georgia Tech, fell behind, 10-9, on Pete Venable's 1-yard plunge and Tom Griggs' extra point with 6:28 remaining. But Alabama came back to score on Kim's fourth field goal after a 60-yard drive that consumed more than six minutes. Alabama added a touchdown with 37 seconds remaining on a 9-yard run by Jeff Fagan.

Ohio State 27, Michigan State 13

In Columbus, Ohio, Ohio State survived a second-half rally by Michigan State, including a Big Ten Conference record 63-yard field goal by Morton Andersen, to defeat the Spartans, 27-13. Ohio State's senior quarterback, Art Schlichter, led the game with a sprained ankle late in the third

quarter after guiding the Buckeyes to a 20-7 lead. After two field goals by Andersen late in the margin to seven points, Schlichter's replacement, Rob Allen, wrapped up the victory for Ohio State by bursting 22 yards for a touchdown with one minute remaining.

UCLA 31, Wisconsin 13

In Madison, Wis., Tom Ramsey plunged for one touchdown and fired scoring passes of 27 and 3 yards to tight end Tim Wrightman, leading UCLA to a 31-13 victory over Wisconsin.

USC 21, Indiana 0

In Bloomington, Ind., tailback Marcus Allen rushed for 274 yards and two touchdowns as Southern California, wearing down Indiana's defense, broke a scoreless halftime tie and rolled to a 24-0 victory.

Texas 23, North Texas State 10

In Austin, Texas, A.J. Jones ran for 105 yards on 22 carries and two touchdowns as Texas scored a 23-10 victory over North Texas State. Jones, Texas' leading rusher last year despite missing the second half of the season because of injuries, scored on two 1-yard plunges in the first half.

Nebraska 34, Florida State 14

In Lincoln, Neb., Roger Craig rushed for 234 yards on 40 carries, including a 94-yard touchdown, as Nebraska defeated Florida State, 34-14. Nebraska totaled 464 yards rushing and held Florida State to 46, although the Seminoles' Rick Stockstill passed for 173 yards and one touchdown.

Minnesota 16, Purdue 13

In Minneapolis, Frank Jacobs ran for two touchdowns and Minnesota turned back two fourth-quarter drives by Purdue as the Gophers posted a 16-13 victory in the Big Ten opener for both teams.

Miami (Fla.) 12, Houston 7

In Miami, Danny Miller kicked three first-half field goals and added another late in the third quarter as Miami of Florida held off Houston, 12-7. Miller's kicks covered 44, 50, 34, and 37 yards.



Virginia quarterback Gordie Whitehead, in white jersey, was caught by Ken Berrier of Rutgers, lying on his back, as Bill Beachner closed in from behind in Rutgers' 3-0 victory in East Rutherford, N.J. Rutgers won the game on a 37-yard field goal by Alex Falcinelli with 3:02 left to play.

U.S. Golfers Overwhelm Europeans to Capture Ryder Cup

From Agency Dispatches

WALTON HEATH, England — The United States golf team stormed to its 20th triumph with a 184-94 point victory Sunday over Europe in the 24th Ryder Cup match.

The U.S. victory at Walton Heath golf course left Europe's captain, John Jacobs, saying mournfully, "Quite honestly, I don't know how we are ever going to beat them."

Larry Nelson, who seems to have his best for these biennial international affairs, clinched the victory Sunday with a critical, 2-up victory over Brian Mark James.

"I wanted to win it. I wanted to do it just one more time," Nelson said.

That gave the Americans an unbeatable 15-6 lead on the rain-drenched, storm-lashed Walton Heath course in the 3-day competition for the gold cup that British

seed merchant Samuel Ryder put up for competition in 1927.

The Americans, led by Lee Trevino, Jack Nicklaus, Tom Watson and Nelson, brought a team under captain Dave Marr that was considered the strongest in the history of the matches. But they were shocked by the first day's matches.

"I think," said Tom Kite, who scored 10 birdies in his closing singles match, "that may have been Europe's disadvantage."

Sooner or later the European team will win the Ryder Cup, but no one wants to be in the American team that gets beat.

"Some of us might have been a little bit overconfident on the first day, but from that point on it was down to business."

The Americans swept aside any European hope of an upset by storming back Saturday for a 7-1 victory. Then on Sunday the United States finished it off at the

course about 15 miles south of central London.

Nelson, the current PGA champion, was the key man throughout the matches. He won all four of his matches this year and all nine times he has played in two Ryder Cup matches.

"He was the man I feared," Jacobs said. "I had a feeling about him. He took five points from us in 1979, then turned around his first match this time with a 15-foot putt on the 18th hole" in the four-ball competition Saturday.

Tom Kite said Ben Crenshaw underlined the strength of the U.S. team.

Kite produced what he said was his best ever round to counter a strong effort by Britain's Sandy Lyle. Gathering ten birdies to Lyle's eight, Kite swept to a 3 and 2 victory. It exemplified match play golf; Lyle was heading for an 8-under par 64 and lost.

Crenshaw staggered Ireland's Des Smyth by taking the first five holes on the back nine to win by 6 and 4. When Smyth did manage birdies at the 11th and 14th, Crenshaw replied with eagles.

The bright spots for Europe were the singles victories of Spain's Manuel Piñero and Britons Nick Faldo and Howard Clark.

The U.S. team pulled ahead for the first time on Saturday with a 3-1 performance in the morning four-ball competition, then applied the crusher by sweeping the afternoon four-balls, in which each two-man team plays alternate shots on the same ball.

"That's a miserable day," Jacobs said after Saturday's play. He was referring only partially to the cold, drizzling rain. "The Americans simply played like we all know they can play. We didn't make a putt we really needed and they didn't miss one."

It was the first time since 1963 that the U.S. had won all the second series foursomes in a Ryder Cup match, and they did it with ease on another wet and windy day on the Walton Heath course.

In the morning four-balls, when the matches still were very much in balance, Nelson and Kite were all even with Lyle and James after 16 holes.

On the par-3 17th, Lyle came within inches of making an ace. The putt was conceded. And Nelson calmly stroked in a wide-breaking 15-footer to halve the hole with a birdie 2. He won the match with another 15-foot birdie putt on the 18th.

Phillies 8, Pirates 2

In Philadelphia, Gary Matthews hit a three-run homer to cap a five-run fourth inning that led the Phillies to an 8-2 triumph over the Pittsburgh Pirates. Trailing, 2-1, the Phillies took the lead in the fourth on a triple by Larry Bowa, a single by Manny Trillo, a bunt single by pitcher Dan Larson, and Lonnie Smith's double.

Astros 8, Giants 1

In San Francisco, right-hander Vern Ruhle pitched a four-hitter and rushed in two runs to help Houston to an 8-1 victory over the Giants. Ruhle (4-4) pitched his first complete game of the season.

Reds 7, Dodgers 3

In Los Angeles, George Foster doubled in three runs in the third inning, sending Cincinnati to a 7-3 victory over the Dodgers. But Elston (10-6), who started for the Angels, lasted less than three innings; Cincinnati reliever Joe Edele (2-0) earned the victory in his second appearance since coming from St. Louis last week.

Padres 6, Braves 3

In San Diego, Terry Kennedy singled in Ruppert Jones from second with two out in the eighth inning, triggering a tie-breaking, three-run outburst that gave the Padres a 6-3 victory over Atlanta. Jones, who leads the National League in doubles, hit his 37th before scoring on Kennedy's hit.

Kiyomura Upsets Bunge

TOKYO — Unranked Ann Kiyomura of the United States defeated third-seeded Bettina Bunge of West Germany, 6-4, 7-5, Sunday to win the Torrey Pines women's tennis tournament.



Tom Watson gets the help from Jack Nicklaus to line up a putt on Saturday against Jose Maria Canzanas and Des Smyth.

The 1-up triumph put the Americans off to a running. "That was the turning point, the key match," Marr said. "The Europeans played well. They just hit a slick spot in the road and spun out."

Sunday Singles
Lee Trevino, U.S. def. Sam Torrance, Britain, 3 and 2; Tom Kite, U.S. def. Mark Lyle, Britain, 3 and 2; Ben Crenshaw, U.S. def. Des Smyth, Ireland, 4 and 1; Bill Rogers, U.S. and Bernard Gallacher, Britain, halved; Larry Nelson, U.S. def. Mark James, Britain, 3-up; Manuel Piñero, Spain, def. Jerry Pate, U.S., 4 and 2; Bruce Lietzke, U.S. and Bernhard Langer, West Germany, halved; Nick Faldo, Britain, def. Johnny Miller, U.S., 2 and 1; Howard Clark, Britain, def. Tom Watson, U.S., 4 and 3; Hale Irvin, U.S. def. Jose Maria Canzanas, Spain, 1-up; Jack Nicklaus, U.S. def. Eamonn Darcy, Ireland, 5 and 3; and Roy Puleo, U.S. def. Peter Oosterhuis, Britain, one-up.

Saturday Four-Ball
Nelson and Kite def. Lyle and James, one-up; Nicklaus and Watson def. Cantlay and Smyth, 3 and 2; Trevino and Pate def. Faldo and Torrance, 7 and 5; Larson and Piñero def. Floyd and Irvin, 2 and 1; Trevino and Pate def. Oosterhuis and Torrance, 7 and 1; Nicklaus and Watson def. Langer and Piñero, 3 and 2; Pate and Rogers def. Lyle and James, 4 and 2; and Nelson and Kite def. Smyth and Gallacher, 3 and 2.

Dolphins Use Defense To Beat Oilers, 16-10

From Agency Dispatches

HOUSTON — Miami quarterback Don Strock completed a 3-yard touchdown pass to rookie Andra Franklin late in the game and the Dolphin defense sacked Houston's Ken Stabler eight times Sunday en route to a 16-10 National Football League victory.

The Dolphins remained unbeaten in three games, primarily on the strength of a dominating defense. Field goals of 42, 37 and 27 yards by Uwe von Schamann were all the Dolphins generated before Strock drove them 40 yards to the winning touchdown.

Strock replaced starter David Woodley to start the third quarter and put the Dolphins ahead for good with 6:40 left in the game with a 3-yard touchdown pass to Franklin. It was the first touchdown scored against the Oilers, 2-1, this season.

Strock finished with seven completions in 10 attempts for 62 yards in relief of Woodley, who had completed 11-of-22 passes for 82 yards in the first half, but continually overthrew open receivers.

The sputtering Oiler offense ignited briefly in the first quarter when Stabler hit wide receiver Ken Burroughs for a 71-yard touchdown bomb. Toni Fritsch kicked a 40-yard field goal in the third quarter that gave Houston a 10-9 lead.

Falcons 34, 49ers 17

In Atlanta, Steve Bartkowski, playing despite a cracked rib, fired three touchdown passes and Tom Priddy returned an interception 101 yards for another score as the Falcons smashed San Francisco, 34-17. It marked the first time in their 16-year history that the Falcons opened with a 3-0 record.

Bartkowski, wearing a flak jacket to protect the rib he injured last week against Green Bay, hit touchdown passes of 29 yards to Alfred Jackson, 18 to Lynn Cain and 15 yards to Alfred Jenkins.

Bartkowski, who completed 13-of-22 passes for 208 yards, also connected with Jenkins on a 67-yard pass play to the 49ers one but three straight running plays failed were not successful, and Atlanta had to settle for an 18-yard field goal by Mick Luckhurst, who earlier had a 47-yard field goal.

Joe Montana buried scoring passes of 11 yards to Charlie Young and 12 yards to Freddie Solomon and Matt Barr booted a 47-yard field goal for San Francisco.

Steelers 38, Jets 10

In Pittsburgh, Jack Pollard rushed for two touchdowns as the Steelers, rebounding from their worst start since 1970, beat the winless New York Jets, 38-10.

The Jets, 0-3, were limited to a 48-yard Pat Leahy field goal and 17-yard fourth-quarter touchdown pass from backup quarterback Pat Ryan to Freeman McNeil.

The 5-foot-10, 217-pound Pollard, thrust into the starting half-back spot after Sidney Thornton

lost four fumbles in the Pittsburgh opener, ran 23 yards for a second-quarter touchdown and added a 1-yard scoring smash in the third period.

Quarterback Terry Bradshaw also sneaked for a Steelers' touchdown and backup fullback Russell Davis for another. Davis led the Steelers, 1-2 with 100 yards rushing on 13 carries.

Browns 20, Bengals 17

In Cincinnati, Mike Pruitt scored a touchdown on a 12-yard run with 4:20 left to lift Cleveland to their first victory of the year — a 20-17 squeaker over the Bengals.

Pruitt's score gave Cleveland a 20-10 lead, but the Bengals got a 1-yard TD burst from Pete Johnson with 1:57 remaining to pull within 20-17. Cincinnati, 2-1, was unable to get the ball back.

Cleveland, 1-2, jumped to a 13-0 halftime lead on Brian Sipe's 4-yard touchdown pass to Ozzie Newsome and field goals of 28 and 30 yards by Dave Jacobs. Cincinnati, 2-1, trimmed the lead to 13-10 in the second half on a 41-yard touchdown pass from Ken Anderson to rookie Chris Collinsworth and a 21-yard field goal by Jim Breach.

Browns quarterback Brian Sipe completed 24 of 35 passes for 259 yards as the Browns dominated the game statistically.

Cardinals 40, Redskins 30

In St. Louis, Jim Hart whipped three touchdown passes and rookie Stump Mitchell scored on a 50-yard punt return, leading the Cardinals to a 40-30 victory over Washington. Otis Anderson roamed 7 yards for the other Cardinal touchdown.

The 37-year-old Hart threw for 226 yards to become the NFL's fourth-ranking career passer. His scoring losses of 58 yards to Roy Green, 27 yards to Greg LaFleur and 6 yards to Dave Stif offset a passing performance of four touchdowns and 388 yards by the Redskins' Joe Theismann.

The Redskins' Joe Theismann, 34 yards and 10 yards to Ricky Thompson, 79 yards to Art Monk and 20 yards to Rick Walker.

Vikings 26, Lions 24

In Bloomington, Minn., Rick Danmeier kicked a 20-yard field goal with 4 seconds left to give the Minnesota Vikings their first victory in three starts, 26-24 over Detroit.

Vikings quarterback Tommy Kramer, making his first start since late August because of a knee injury, completed 25-of-42 passes for 333 yards and two touchdowns, including a 4-yard toss to tight end Joe Senner and a 59-yard scoring pass to running back Ted Brown, who also had a 1-yard touchdown plunge.

For the Lions, 1-2, Billy Sims had touchdown runs of two yards and three yards and quarterback Gary Danielson plunged over from the ooc.

Noble Nashua Sets the Pace Of Victory in Marlboro Cup

By Andrew Beyer

Washington Post Service

NEW YORK — Noble Nashua upset the best racehorses in the United States and won the \$400,000 Marlboro Cup Saturday. But the credit went less to the horse than to his jockey, Ruben Hernandez, who made some of the top riders look like woeful incompetents.

"Nobody wanted the early lead," Hernandez said, "so I took it." He took it and set such a slow pace for the first half-mile that Noble Nashua would have had to be a bad horse not to win this prestigious race. By the time stretch runners Pleasant Colony and Temperance Hill started to make their moves, the outcome was already decided.

Noble Nashua scored a 34-length victory by covering the 1 1/4 miles on the muddy Belmont Park track in 2:00 3/5, just three-fifths off the track record. Amber Pass was second, with Temperance Hill third. Pleasant Colony, the 6-to-5 favorite, rallied ineffectually for fourth. Fappiano, who disliked either the mud or the 1 1/4-mile distance, was fifth.

Noble Nashua paid \$27.40, \$12.60 and \$7.80. Amber Pass returned \$8.40 and \$5.20 and Temperance Hill paid \$5 to show.

Decisive Moment

The decisive moment in the ninth running of the Marlboro Cup came only seconds after the eight horses had left the gate. Fappiano broke on top, and jockey Angel Cordero Jr. looked for a moment as if he might try to go for the lead. But when he saw Noble Nashua move beside him, Cordero put Fappiano under restraint.

Cash Asmussen, riding speedster Amber Pass, followed his example. The enabled Hernandez to cruise the first half-mile in 24 4/5 seconds and the half in 45 1/5. Noble Nashua had not even been asked to exert himself but his rivals were conceding him a comfortable lead.

The trainers of the other horses were properly distraught when they saw the early fractions. "I can't believe it," said John Campo, whose Pleasant Colony was eight lengths behind after a half-mile. "I told [Jorge Velasquez] to watch out for a slow pace. It's crazy."

"I don't understand this at all," moaned Alton Jenkins, whose speedster Hechiazado never got close to Noble Nashua. "You have a come-from-behind horse go to the lead. I can't believe it."

Pleanty of Reserve

Given this advantage, Noble Nashua was plenty good enough to capitalize on it. Although the 3-year-old had lost to Pleasant Colony in all three of their previous meetings this year, he had won several major stakes and had broken Belmont's track record for one mile in his next-to-last start.

When he turned into the stretch with a 2 1/2-length and plenty of energy in reserve, he was able to run the final quarter-mile in 24 4/5 seconds — just as fast as his opening quarter — and none of his pursuers could gain on him appreciably.

When he turned into the stretch with a 2 1/2-length and plenty of energy in reserve, he was able to run the final quarter-mile in 24 4/5 seconds — just as fast as his opening quarter — and none of his pursuers could gain on him appreciably.

When he turned into the stretch with a 2 1/2-length and plenty of energy in reserve, he was able to run the final quarter-mile in 24 4/5 seconds — just as fast as his opening quarter — and none of his pursuers could gain on him appreciably.

When he turned into the stretch with a 2 1/2-length and plenty of energy in reserve, he was able to run the final quarter-mile in 24 4/5 seconds — just as fast as his opening quarter — and none of his pursuers could gain on him appreciably.

When he turned into the stretch with a 2 1/2-length and plenty of energy in reserve, he was able to run the final quarter-mile in 24 4/5 seconds — just as fast as his opening quarter — and none of his pursuers could gain on him appreciably.

When he turned into the stretch with a 2 1/2-length and plenty of energy in reserve, he was able to run the final quarter-mile in 24 4/5 seconds — just as fast as his opening quarter — and none of his pursuers could gain on him appreciably.

When he turned into the stretch with a 2 1/2-length and plenty of energy in reserve, he was able to run the final quarter-mile in 24 4/5 seconds — just as fast as his opening quarter — and none of his pursuers could gain on him appreciably.

When he turned into the stretch with a 2 1/2-length and plenty of energy in reserve, he was able to run the final quarter-mile in 24 4/5 seconds — just as fast as his opening quarter — and none of his pursuers could gain on him appreciably.

When he turned into the stretch with a 2 1/2-length and plenty of energy in reserve, he was able to run the final quarter-mile in 24 4/5 seconds — just as fast as his opening quarter — and none of his pursuers could gain on him appreciably.

When he turned into the stretch with a 2 1/2-length and plenty of energy in reserve, he was able to run the final quarter-mile in 24 4/5 seconds — just as fast as his opening quarter — and none of his pursuers could gain on him appreciably.

When he turned into the stretch with a 2 1/2-length and plenty of energy in reserve, he was able to run the final quarter-mile in 24 4/5 seconds — just as fast as his opening quarter — and none of his pursuers could gain on him appreciably.

When he turned into the stretch with a 2 1/2-length and plenty of energy in reserve, he was able to run the final quarter-mile in 24 4/5 seconds — just as fast as his opening quarter — and none of his pursuers could gain on him appreciably.

When he turned into the stretch with a 2 1/2-length and plenty of energy in reserve, he was able to run the final quarter-mile in 24 4/5 seconds — just as fast as his opening quarter — and none of his pursuers could gain on him appreciably.

Rangers' Medich Takes No-Hitter Into 8th; Twins Manage 2 Singles Before Losing, 6-0

From Agency Dispatches

ARLINGTON, Texas — Doc Medich pitched perfect ball through five innings Saturday, flied with a no-hitter until the eighth, then settled for a two-hitter in the Texas Rangers' 6-0 victory over the Minnesota Twins.

Medich (9-5) struck out four and walked one. Buddy Bell made an outstanding stop of a grounder by Sal Butera with two out in the eighth, but his throw to first was low, and the play was ruled a single. In the ninth, Hosken Powell grounded to second baseman Bump Wills, whose throw was also wild. Those were the only two hits off the right-hander.

The Rangers scored all their runs in the second, when they sent 12 men to the plate, on six singles and a double.

Red Sox 8, Yankees 5

In Boston, Rick Miller's three-run homer in the eighth inning capped a seven-run, two-out rally that lifted the Red Sox to an 8-5 triumph over New York, breaking the Yankees' nine-game winning streak at Fenway Park. The Yankees had not lost in Boston since Sept. 12, 1979, the night Carl Yastrzemski of the Red Sox recorded his 3,000th career hit.

Tigers 4, Indians 3

In Cleveland, Champ Summers and Stan Papi homered and Dan Pety pitched eight strong innings to spark Detroit to a 4-3 victory over the Indians. The Tigers snapped a five-game losing streak; it was Cleveland's sixth defeat in seven games.

Blue Jays 6, Angels 4

In Toronto, Ernie White broke a 3-3 tie with a two-run double in the fifth inning and John Mayberry and Ted Cox hit home runs as the Blue Jays handed California its fifth straight defeat, 6-4. Toronto's Jim Clancy (6-10) gave up five hits in the first two innings, including home runs by Brian Downing and Ed Ott, but allowed only two hits the rest of the way.

A's 2, White Sox 1

A Dissent on California Wines

PEOPLE: *Simon-Garfunkel Reunion
Draws 400,000 in N.Y.*

Walter H. Annenberg, the multimillionaire publisher of TV Guide and a former ambassador to Britain, ran into the great American creditability gap in Grand Rapids, Mich., when Annenberg, a neighbor of Gerald R. Ford, a Palm Springs, Calif., had gone for the dedication of the Ford presidential museum. At the desk of the Arway Grand Plaza Hotel, the clerk asked him to sign the registration card and indicate what method of payment he would use. Annenberg asked the clerk what she meant, and she replied that he could pay cash in advance or use a

When the Jesuits moved out of a new team of charismatic priests, the Roman Catholic parish of St. Mary's in St. Helens, England, they lost the heart of the parish. Gary Garner, a 69-year-old member of the parish, was being jizzed up her Sunday service on the keyboard bell system with such scarily secular numbers as "The Teddy Bear Picnic" and "Dummy Boy," in addition to the usual Beethoven and Mendelssohn. The Jesuits liked it, they moved out in April and their new priest, led by the Rev. Vincent Hughes, issued a stop-the-pop ultimatum, ordering the singer to be more serious at her communion. 47-year-old Garner has resigned after 51 years playing the organ in the church in St. Helens, a gleamingly modern, six-story, concrete-glazed, glass-fronted, modernist Catholic shrine.

"You can't play hymns and sacred music all the time—Mendelssohn around the bend," she said wistfully.

penitent.

CLASSIFIED ADVERTISEMENTS

[illegible][illegible][illegible][illegible]

**FOR A
MAXIMUM
RETURN
ON
TIME
INVESTED.**